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THE CANADIAN ILLUSTRATED WEEKLY

THE FRONT PAGE

Where Haste Is Perilous

ONE of the chief difficulties in the situation regarding Israel is that all parties concerned are necessarily playing for time. The present government of the new state is essentially a provisional one, and the true character and attitudes of the state will be much more clearly discernible when the elections have shown the disposition of the voters towards the numerous, and very different, parties which are claiming their suffrage. The recent legalization, and the present very forceful activity, of organizations which formerly were strictly underground and beyond the law makes it extremely uncertain that the eventual elected government of Israel will be much like the present interim government in its policies and methods; and as a result all the outside nations concerned in the situation are most anxious to avoid committing themselves too far on the present showing.

One of the difficulties attendant on the setting up of new self-governing states is that it is often a considerable time before the governments of such states become genuinely representative of the will of their peoples. This is not due to lack of good intent on the part of the rulers, but to the difficulty of devising adequate machinery for the registering of the popular will, and in part also to the fact that the new citizens have not had an opportunity to learn the compromises and accommodations which have to be made by advocates of extreme policies in order to arrive at a median policy which will satisfy a real majority of the whole people.

Demands for hasty decisions by other nations (including Canada) on the problems of Palestine are unwise, and we hope that the influence of Canada on the other nations concerned, which is considerable, will be used to defer any far-reaching decisions until the situation is clearer.

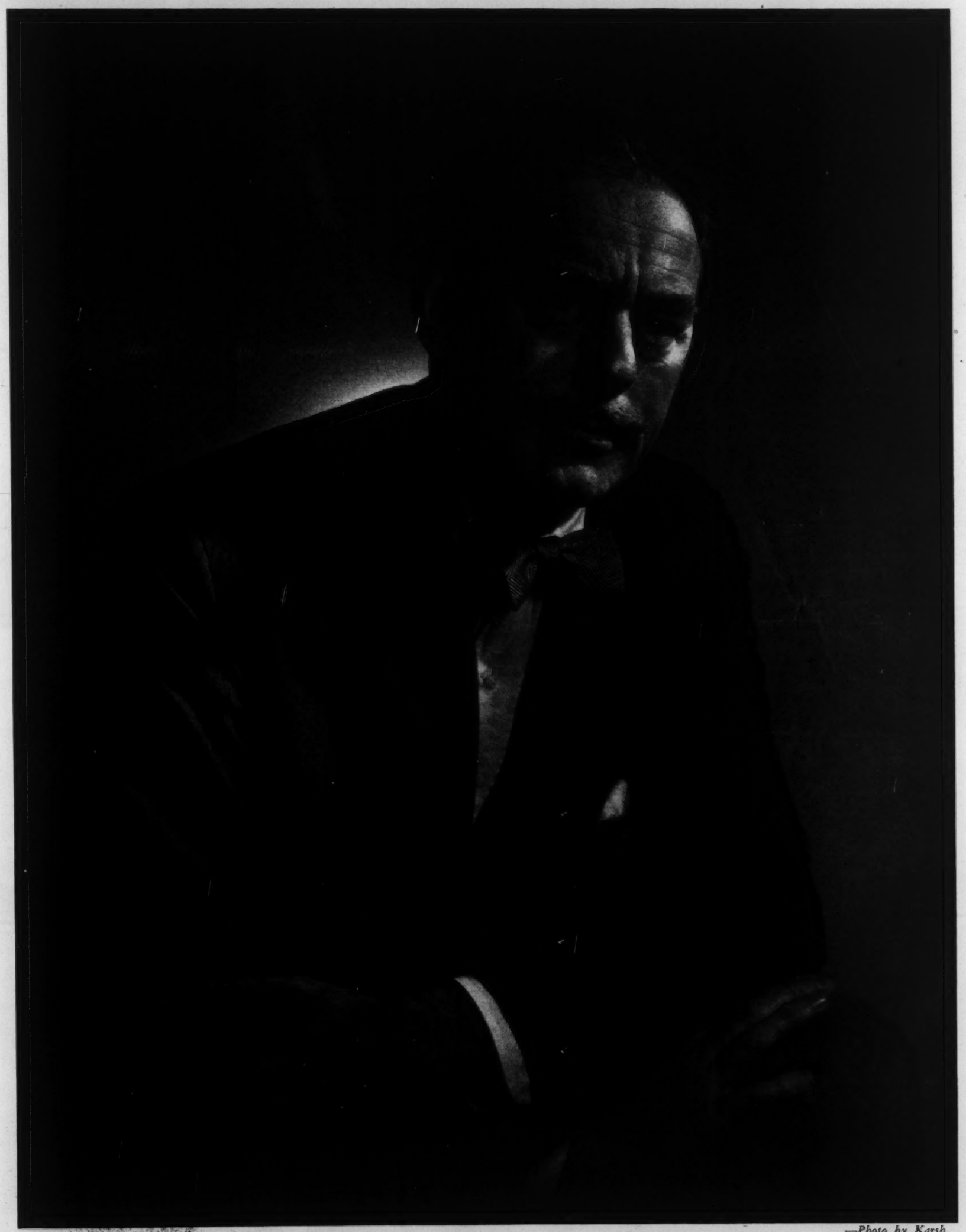
Back to Ottawa

IT IS with the greatest regret that we have to announce that Wynne Plumptre, for most of the last two years Associate Editor of SATURDAY NIGHT, left our staff last week to become Economic Adviser to the Department of External Affairs. It is, we think, no secret that Mr. Plumptre was next in line for the succession to the editorship; but the importance of the task to which he has been called, and the very exceptional qualifications which he possesses for performing it, are some consolation for our sorrow at his departure.

Mr. Plumptre left the work of a professor of economics at Toronto University to serve his country as an economic expert during the war, first as a Prices and Trade Board officer doing liaison work at Washington, and later as Secretary of the Board. His work in both these capacities was highly successful; but at the end of the war it seemed possible that the importance of economic problems in government administration might gradually diminish, and with it the need for experts.

The contrary however happened, at any rate in the field of international relations. There is now no more important aspect of these relations than those which have to do with trade movements, currencies, international credits and such-like matters. Up to now Canada's international transactions regarding such subjects have tended to be effected by the particular department of government which was most involved, whether it were Trade and Commerce, Finance, Agriculture or what-have-you. This is obviously a haphazard and somewhat risky method of doing business, and Mr. Plumptre's appointment suggests that, very properly, the Department of External Affairs proposes to take all such transactions under its wing, not of course to the exclusion of the other departments, but rather to ensure that the interests

(Continued on Page Five)



—Photo by Karsh

MARSHALL'S MANTLE: In Washington a new but well-known Secretary of State, Mr. Dean Acheson, takes up the formidable task of guiding the foreign policy of the United States towards peace and security.

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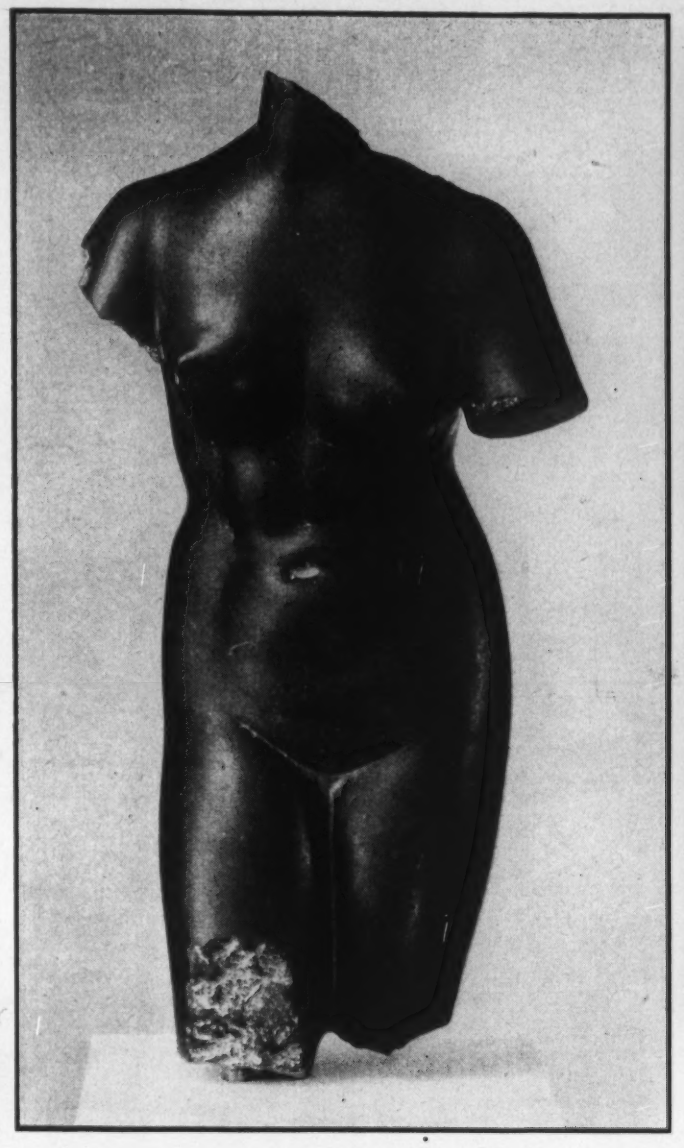
"Odalisque en grisaille" by Jean Auguste Ingres, from exhibition "The Classical Contribution to Western Civilization". Now at Art Gallery of Toronto, show is mostly composed from collection of Metropolitan Museum.

"Vestal" by Bertel Thorwaldsen. This Danish-born sculptor superimposed nineteenth-century sentiment upon Greek art.

"Atalanta and Meleager" by Peter Paul Rubens, is one of the supreme examples of painting by the seventeenth-century Flemish master. It dominates the Met's "Classical" exhibition.

The Neapolitan artist who painted this "Lucretia" is unknown. A comparison between it and Rubens opposite attests difference of melodrama from drama in art.

Small bronze copy of Benvenuto Cellini's "Ganymede". Artist Cellini added many a Latin flourish to basic Greek motifs.



This black marble torso was carved in Fifth Century B.C., one of the richest periods of Classical art.

Roman copy of a Greek marble by Polykleitos. The Fifth Century Polykleitos was a notable theorist.

"CLASSICAL CONTRIBUTION TO WESTERN CIVILIZATION"

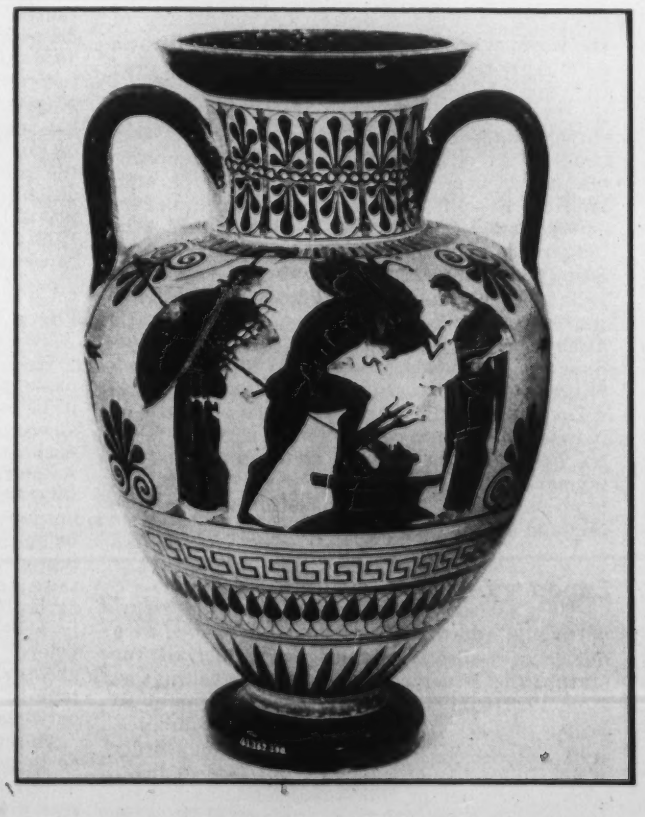
By Paul Duval

THE present exhibition at the Art Gallery of Toronto is a graphic reminder that the Greeks are always with us. Entitled—a little headily we thought—"The Classical Contribution to Western Civilization," it manages to telescope in an interesting manner the continuing influences of classic form upon our arts and crafts. It also touches slightly, in passing, the seemingly eternal continuity of Greek ideas and ideals as bases for Western society.

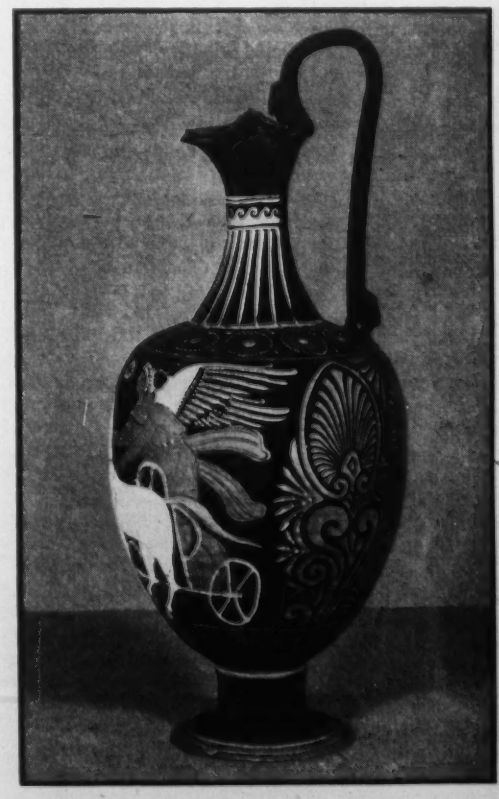
The reasons for Greek art's remarkable survival as an influence are many. However, its main message to us at this time, we believe, is that it was an eloquently social art. It made visual the ideals of the community. Sculpture and painting were used in temple and civic square to celebrate and unify the spirit of the people, while crafts carried beauty into the home. Nothing was too slight for Greek artisans to design and wrought with care, and the harmonies we know as beauty were almost taken for granted. It must have been this fact that Stendhal bore in mind when he wrote: "Among the ancients, the beautiful is only the high relief of the useful."

Today, Greek art is frequently vapidly and vaguely condemned as a "bad influence." But, surely, it is not the fault of the Greeks that the force of their art was such that later generations were frequently enslaved to what they believed a flawless "classic" formula and, through a gross misunderstanding of the true meaning of tradition, turned a potential blessing into a blind bondage. We can certainly point to many instances where the classic achievement has been adopted intelligently during recent centuries and absorbed into the living body of art. The classic pictorial language and its themes have undergone many changes between the times of Praxiteles and the present; yet its validity and vitality are still attested by the discreet borrowings of that most controversial of modern masters—Pablo Picasso.

In Greece, art spoke to the people. It was a close and accepted part of daily life, and art, such as this head adorned the resting places of the dead.



Black figured Amphora representing "Herakles and Boar". It dates from the Sixth Century B.C.



Such ewers as this one took classical art right into the Greek home.

Ottawa View

Food For World Survival

By WILFRID EGGLESTON

DR. G. S. H. BARTON, Deputy Minister of Agriculture, was scheduled to speak this week on the theme: "Can the World Feed Itself?" Since this letter was written before his address, I cannot comment on his conclusions, but I am not surprised that Canadian leaders are beginning to grapple with this subject. The Neo-Malthusians, led by William Vogt and Fairfield Osborn, have been propounding some alarming views recently; and Canada, a country of large agricultural resources and a relatively small population, cannot help be profoundly affected if they are right.

If the world is continuously breeding up to the starvation level, if the world's soil is being rapidly destroyed by erosion at the same time as the world's population soars at unprecedented rate, then Canada should at once begin to reconsider its agricultural and conservation policies, and review its approach toward export trade in foods, and toward the whole problem of immigration. For one thing it seems absurd for us to be worrying about finding long-term markets for our food, if, according to Messrs. Osborn and Vogt, the world is already desperately short of food and is heading toward widespread famine unless immediate measures of conservation are taken.

What Is Wrong?

Some of the more extreme theories and beliefs of the Neo-Malthusians have been sharply challenged in recent weeks, but many agricultural experts hold the view that there cannot ever again be any talk of real food surpluses. If they are right, the only factor which can again result in surplus piles of grain and marketless herds of cattle in Canada is the failure of distribution. And that in turn suggests that Canada's attention must be focussed on overcoming obstacles to international and domestic trade. Not a new discovery, certainly, but something is gained if we know exactly what is wrong and what policies should be vigorously prosecuted.

Before Canadians get too excited about the fearful prospects held up by the Neo-Malthusians, however, they should look at some of the evidence, if such it is, that tends to modify or even invalidate the conclusions reached by the Vogts and Osborns. One does not need to be an expert or authority in this field to realize that the situation is highly controversial and that many of the current conclusions are being based on very scanty information, or even on sheer guesswork.

A couple of months ago, the views of Dr. Robert M. Salter, chief of the U.S. Agricultural Research Administration, were widely quoted in an American publication as an answer to the Vogt-Osborn thesis. Even a superficial reading in such source material will uncover much expert opinion of a far more optimistic nature than the jeremiads of the Neo-Malthusians.

Population Trends

Here is a startling example. Vogt follows a familiar line—and a very convincing one, too, if the facts are as stated—by contrasting the shrinking world acreage of arable soil with population trends. In "The Road to Survival," he assumes that the world population is now well over 2 billions, and estimates that it is increasing at the rate of 50,000 per day, 18 million a year. To feed these hordes, how much land is there? Vogt first quotes the U.S. Department of Agriculture figures of about 4 billion acres. But "in my opinion, the U.S.D.A. figure is almost certainly too high." He cites Pearson and Harper as arriving at a figure "of 2,600,000,000 acres of land adapted to food production, or a little over one acre for each living person."

Since we in North America are so much more richly endowed (three and a third acres per person in the United States, and over seven acres per person in Canada) such a low figure as slightly over one acre per person for the world average is, indeed, perturbing. But Vogt goes on to quote a refined estimate of Pearson that "the really productive areas of the world are so limited that there is only about two-tenths of an acre per person."

The average citizen has grown mildly sceptical of experts, and sometimes there is ample ground for his doubts. In 1944, a paper on "World Population Problems" was read at Chatham House, London, before the Royal Institute on International Affairs, by Dr. R. R. Kuczynski. Among other interesting things he said this:

—Photograph by Michael Gough

FIRST PRIZE WINNER in the annual British news picture of the year competition was this photograph showing Mrs. Franklin D. Roosevelt with H.M. King George VI at the unveiling of the statue of the late President in London's famous Grosvenor Square.

"There is no sign that the population of the world outside Europe will expand more rapidly in the future than it has done in the past. The rapid increase in the natives of Africa has been around the corner for fifty years but has never materialized. In China the population is probably smaller now than it was thirty years ago. A rapid expansion of the population of North America is hardly to be expected. But let us suppose that, in spite of the decline of the birth-rate among the whites, the population of the world will treble in the next two centuries, as it has done in the last two centuries. It would then amount to about 6 billions. This figure, related to the economic resources of the world, is rather small. The land surface of the world is equal to 33 or 34 billions of acres. Assuming that there are 15 billions of acres of arable land there would be—with a total population of 6 billions—2.5 acres per person, which is at least twice as much as is necessary to support a single individual."

So here we have William Vogt prognosticating early ruin on the basis of soil resources already down to an acre per person, or less; we have Dr. Kuczynski cheerfully contemplating a rise in world population to six billions by 2149 A.D., at which time, he says, there will still be twice as much land per person as is really needed. When experts disagree as much as this, the layman can at least treat himself to a sigh of temporary relief while he asks for a little more fact and a little less supposition.

Expert vs. Expert

I should add that Kuczynski is described as a doctor of political science, a member of the staff of the Brookings Institution, Washington, from 1926 to 1932, and of the Department of Social Biology, London School of Economics, from 1937 to 1938; and reader in Demography in the University of London from 1938 to 1941; later a member of the Royal Commission on population. How he compares with William Vogt as "expert" I have not the slightest idea.

Supporting Dr. Kuczynski on available land resources, Dr. Robert M. Salter, chief of the U. S. Agricultural Research Administration, contends that 52 per cent of the land area of the world is possible for cultivation, that only seven to ten per cent is now cultivated, and that "virtually all of the 52 per cent could be made productive if there were good reason to make it so." (*Time*, November 8, 1948).

Again, contrast Vogt and Kuczynski on population trends in Europe.

Vogt: "Unfortunately, in spite of the war, the German massacres, and localized malnutrition, the population of Europe, excluding Russia, increased by 11,000,000 people between 1936 to 1946; and the population is expected to reach 404,000,000 by 1955 or *an increase of 10 per cent in about twenty years.*"

Kuczynski: "I estimate that the population of Europe, including Russia, decreased between the middle of 1914 and the middle of 1919 by altogether 12 millions. The decrease in the population of Europe between the middle of 1939 and the middle of 1946 will, I am afraid, considerably exceed 12 millions."

For a Complete Picture

The Neo-Malthusians may be right about present prospects, but for a complete picture it is necessary to set alongside them such views as those expressed before the British Association last fall by Dr. Scott Robertson. As summarized in *The Economist*, these were that "quite apart from any discoveries as yet unmade or wholly exploited, the mere raising of general standards to those of the best farming practice now current would, in his view, raise the productivity of British or American agriculture by 50 per cent—with correspondingly greater possibilities in backward countries where the margin to be made up is vastly greater .. .. .. The twentieth century's advantage in scientific knowledge, in fact, more than outweighs its deficiencies in virgin lands."

The Neo-Malthusians are too disturbing to be ignored, but at the moment the danger of being wiped out by atomic energy seems more real and imminent than the danger of starvation; and it is natural that the North Atlantic Security Pact should get more front-page space than the most laudable crusade for soil conservation.

Passing Show

THE Toronto road-mending department has two kinds of signs, one reading "Men at Work" and the other reading "Men Working".

•

President Truman seems to be voted the outstanding man of 1949. For a while it looked as if he were going to be the out-getting man of 1949.

•

The Canadian Red Cross is being used as Communist propaganda in Shanghai. As the Canadian Red Cross is not red this makes it cross.

•

We are thinking of suing the Dominion government for compelling us all these years

unconstitutionally, to eat butter as a substitute for oleomargarine.

•

Mr. Mackenzie King is to have seat 13 in the Commons. After the luck he has had all his life he isn't afraid of any jinx whatever.

•

"Canadian secondary schools should teach all pupils to drive automobiles."—Owen Sound *Sun-Times*.

Certainly, and then provide them with automobiles to drive.

•

Epitaph for a Bridge-Fiend

For bids by rule, and total score
No longer will he give a d—;
The doctor found him at death's door—
And gave the door a little slam.

J.E.P.

•

A lot of fires are blamed on defective wiring that should be blamed on defective intellects.

•

"Trying Times Ahead" is the heading on a Montreal comment on a bank report. If the editor means times for doing some trying we are right with him.

•

China too is longing for the Peiping times of peace.

•

Lucy says that if it is true that the Russians are buying maps of Canada it shows that they don't want to give us maps of Russia in exchange.

SATURDAY NIGHT

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The Front Page

(Continued from Page One)

of every department of government are adequately considered and properly balanced in each transaction.

We yield Mr. Plumptre to the country's needs with reluctance, but with the best wishes for his success and the strong conviction that he will be none the worse and possibly much the better for his brief adventure in journalism.

Mt. Sinai Hospital

THERE is no city of major size in Canada in which there is not today a serious shortage of hospital accommodation, and any project which tends to alleviate this shortage on lines which conform to modern scientific thinking deserves the support of all sections of the community. This is especially true of the current Toronto project for the erection of the new Mount Sinai Hospital, which while obviously designed primarily for the needs of the Jewish population will, like almost all such institutions, be open to the suffering and afflicted of any race or religion.

We doubt whether any more efficiently designed scheme for providing 250 more beds, with proportional out-patient, laboratory and research sections, could be put into effect today for anything like the four and a quarter million dollars which is the sum now being asked for. A particularly admirable feature is the fact that the public wards are designed to contain not more than four beds to a room, an incalculable improvement over the old large wards. The building moreover will be architecturally impressive and a credit to what is fast becoming the city's most imposing thoroughfare. Civic pride and civic patriotism alike call for a generous response to this appeal.

Calendar Season

THIS is a centenary year for Rolph-Clark-Stone, the great Canadian lithography firm which has undoubtedly been responsible for the production of many of the first-prize awards in the annual calendar competition which SATURDAY NIGHT has conducted for many years past. Joseph T. Rolph, a young English engraver, came to Toronto about the middle of the nineteenth century and acquired an engraving plant which had been founded shortly before, in 1849, and since then the name of Rolph has always figured in the firm's title. In 1912 the firm made an epoch in the history of pictorial reproduction, by taking up and developing the basic invention of a Buffalo engraver, W. C. Huebner, upon which rests the whole modern process of photo-lithography. It is a great pleasure to inform Rolph-Clark-Stone that this year their own centenary calendar has been selected by the editor for the place of honor above his desk. It is a reproduction, in very perfect tinting, of an excellent aquatint done by I. Gray in 1818 of "York from Gibraltar Point", which the descriptive matter tells us means Toronto from Hanlan's Point, the original being part of the Sigmund Samuel Collection in the Royal Ontario Museum. Our choice is dictated equally by the beauty of the picture and by the typographical chastity of the twelve days-of-the-month tables which hang below it.

Our second choice, for the other side of our wall, must once again be the General Electric calendar, which however is properly *hors concours* in this competition, being a special printing of the calendar of the great American corporation with which this company is affiliated. We have gratefully received a number of other excellent contributions from non-Canadian sources, which space unfortunately does not allow us to mention; notably the various air lines have all done fine work.

For second among the purely Canadian products we are going to rank equally the Hornyansky plate of St. Jean, Que., issued by Canada Carbon and Ribbon, and the color photograph of "Cozy Cove", an exceptionally large and well colored reproduction, by National Petroleum. Even more beautiful than either of these is the Coronet Seascape Calendar of Consolidated Glass Ltd., six superb sea paintings by Montague Dawson, but it is not a purely Canadian creation.

Honorable mentions: Canadian Allis-Chalmers for twelve black-and-whites of Canadian scenery; Bank of Montreal for its Sherriff Scott painting of a Maritime fishing village with the local banker obviously on the best of terms with the local fishermen; Confederation Life for celebrating the founding of Halifax with a good painting of that event by G. D. Kelly; Canadian Fairbanks-Morse for another lively Sherriff Scott depicting Place d'Armes in Quebec city; Westeel Products Ltd. for a good painting of habitant cottages by Thomas Garside; the Allan Lumber Co. of Kingston for a color photo called "Tumbling Torrent" which looks as if it might have been taken near Elora; and the G. E. Barbour Co. of Saint John for a color photo of the statue and church in Evangeline Park, Grand Pré.

The dog editor presents his thanks for a larger-than-life color-photo head of a bulldog from Sutherland-Murphy of St. Thomas, Ont. (art calendars), a good Alutone of two dogs by Adrian Dingle from the Waterloo Mutual, and a fine pastel of cocker spaniels by Patience Birley of Victoria, B.C., from Wawanesa Mutual.

THE NEW BOY

Unknown Country

THE writers of that remarkable historical treatise, "1066 And All That", said at the outset "History is not what you thought—it is what you can remember." The same is true of geography. And so, for most of us, Africa is all desert and jungle, China is all rice-fields and pidgin-English, and Brazil is where the nuts come from.

The same broad inaccuracies that we use for foreign parts seem good enough for our own country. British Columbia is nothing but mountains, the prairies will grow nothing but wheat, and Quebec is a quaint land full of Norman peasants who are still loyal to Louis XIV.

Among these misleading and dangerous generalizations one of the most common ones is that Northern Ontario is nothing but muskegs on top and gold mines underneath. Actually there are large areas where there is no possibility of gold but where farms are already prospering and where many more may prosper if the development of the land is wisely guided from Queen's Park. A special article on its problems and its possibilities appears on page 12.

The Gold Mines

NOW that the policy to be followed concerning the pricing of newly mined gold has become a political issue between the two major parties, it is a little difficult to tell whether a broad movement in the gold section of the stock market is due to general market considerations or to a change in the betting on the result of the next general election. Such a movement has been going on for some days as we write these words, and if it has anything to do with the election forecasts it would certainly suggest that the forecasters are giving Mr. Drew a better chance than they were.

However the prospect of a general, though not extensive, decline in commodity prices is in itself a reason for strength in the gold stocks, since it must ultimately result in a decline in operating costs in the gold mines, whose product, on the other hand, can hardly go lower than its present price in Canadian dollars. And a much more immediate cause for satisfaction is the prospect for the elimination from the gold-mining area of a union which is led by men whose main object—ranking far ahead of the advancement of the living conditions of the union's members—is the disruption of the nation's economy whenever such disruption seems most likely to serve the Communist cause.

Bureaucrats Again

THE editor of the Halifax *Herald* must have been feeling very low when he wrote "Parliament has been all but side-tracked by the bureaucrats; just about the least influential factor in Canadian public life today is the ordinary M.P."

As we understand our system of government the job of the bureaucrat is quite different from the job of the M.P. The former could not sidetrack the latter even if he tried.

The bureaucrat has the double job of suggesting policies to the government and of carrying out whatever policies the government decides on. He is—or is supposed to be—an expert, armed with facts and figures. It is his job to influence policy, although not to decide it. If he does not influence and, in a measure, shape policy he is not worth the money we pay him.

The private M.P., on the other hand, has the job of reviewing the policies decided on by the government and making sure that these are acceptable to the voters that he represents. If he dislikes the policies it is his duty to object, either on the floor of the House of Commons or, if he is a member of the party in power, in caucus. He will have important things to say relating to local conditions affecting his constituents. But it is not part of his normal job to think up new policies, or new ways of dealing with the thousands of problems that face a government in the very complex world of today—any more than it is part of the normal job of the bureaucrat to test the popularity of government policies in public meetings, discussions, and elections.

If the *Herald* had blamed the government for paying too much attention to the technical advice of the bureaucrats, and too little to the political advice of the M.P.'s, we would have been ready to sympathize and probably to agree. But to blame the bureaucrats for giving the advice that they are paid to give seems to us a little unreasonable.

Sarah Binks Day

IF THE Saskatchewan government has any sense of what is due to a great province it will set aside a day of the year—preferably in May, and it might well be the day on which the C.B.C. in 1948 first honored her imperishable memory—to celebrate that sweet (but both deceased and imaginary) songstress of the prairie province, Sarah Binks. On that day the C.B.C. might well repeat annually the performance of that brilliant intellectual burlesque, the Tommy Tweed radio adaptation of the Paul Hiebert classic, which was revived on January 16, and which a second hearing proved conclusively to be about the highest achievement in fun-making that Canadian radio has yet reached.

The notable thing about the performance was the way in which everybody concerned entered into the spirit of the jest, and poked irreverent fun equally at the pompous Senators, the arrogant literary critics, the rural "characters", and the ultra-local poets who are the objects of Mr. Hiebert's leg-pulling. There was no let-down anywhere.

This sort of thing when successfully done is the best proof that can be offered that a country is coming to something like cultural maturity. When we encourage our creative artists to make us laugh at our own foibles we are getting on. And as the Winnipeg *Tribune* remarked of the first performance: "'Sarah Binks' is as fine a piece of good-humored belittlin' as ever befell a great province."

Ways to Happiness

IT HAS long seemed to us unfortunate that to a very large part of the population of the Christian countries of the world the expression "to be saved" has come to mean nothing more than to spend eternity at a comfortable temperature and in good society, as contrasted with spending it in a fiery furnace with the devil and his attendant fallen angels. To the great religious spirits who first conceived the standard metaphors relating to heaven and hell they unquestionably had a rich spiritual significance which they have largely lost to the twentieth century mind—partly perhaps owing to the spread in the nineteenth century of a grossly unpoetic theory of "literal inspiration." The general result has been a widespread disappearance of belief in hell and a substantial whittling down of belief in heaven, followed by a natural diminution of interest in being "saved."

Nothing but good can therefore flow from the publication of an anthology on "The Art of Being Happy" (Longmans Green, $4.50) edited by S. G. and E. B. Kling, whose concluding item is the Journal entry of Amiel, the Swiss philosopher, beginning: "To be happy, to possess eternal life, to be in God, to be saved, all these are the same. All alike mean the solution of the problem, the aim of existence." Not everything in the anthology is equally profound, but there is a goodly measure of wisdom in every quotation. Not many of them come from the twentieth century.

From nowhere but the twentieth century could there come anything like two other books which came in for our consideration in the same week as "The Art of Being Happy." One is "Your Creative Power" by Alex Osborn (Saunders, $3.75), and the other "You Can Change the World" by James Keller (Longmans Green, $3.50). Both are addressed, though in very different tones, to the little man who wants to be a big man and thinks that books will make him one. Mr. Osborn is an advertising man, and tells you "how to use your imagination to brighten life, to get ahead." He seems to think that these two objectives are synonymous, or at least lie in the same direction. Mr. Keller is the director of "The Christophers," a movement under Roman Catholic auspices with headquarters in New York, whose main objective is to save the world from Communism. Apart from the characteristic appeal to personal ambition, which no doubt is a legitimate policy in campaigning, his book is an admirable textbook on anti-Communist activity. But the reader of "The Art of Being Happy" will have learned that that art has nothing to do with either getting ahead or changing the world.

RED SONNET

("Shakespeare's spiritual home is Russia."—Moscow item.)

WHEN, in disgrace with Trygve's U-N-O,
I all alone beweep my outcast plight,
And trouble deaf heaven with my tale of woe,
And curse my fate that I am Muscovite,
Wishing me in some land more rich in uranium
Where I might live amid atomic ease,
Desiring this man's art, and that man's cranium,
Disgusted with my bourgeois Comedies,

Then, in these thoughts myself almost reviling,
Haply I think on thee, my Father Joe,
And then my angry frowning turns to smiling,
And I'm contented with my *status quo*,
For thy sweet love remembered brings such heaven
I scorn to claim the same *patrie* as Bevin.

J. E. P.

Truman Gives His Own 4-Year Plan To Congress In One Big Dose

By CHARLES NICHOLS

Republicans and Southern Democrats may be disturbed by the Truman New Deal. It is the President's own plan to meet inflation and achieve in greater measure a social welfare state. However, the conservatives' fears of industrial nationalization and socialism are unfounded, says this Washington analyst, who has written previous articles on U.S. affairs for SATURDAY NIGHT.

Actually two of the most controversial measures for the 81st Congress —the Civil Rights Bill and the Labor Management Relations Act—will not cost the taxpayers anything. The social welfare legislation planned in the new Truman program amounts to only 6 per cent of the $41 billion budget.

Realizing that his popularity is now at its peak, Harry Truman has offered his whole program in an initial presentation, rather than bringing it out piece by piece.

Washington.

"THE slow drift toward socialism that began in 1933 is picking up again."

With those words—or a reasonable paraphrase of them—the elements in political America which fought most bitterly the successive legislative programs of the late President Franklin Delano Roosevelt, accepted a new instalment of those same policies this last fortnight from Harry S. Truman.

Truman, now a president in his own right for the first time, has picked up the New Deal from the point where Roosevelt was forced by the circumstance of war to drop it in 1939. And although he has adapted it to a changed era, it is essentially the same. It has been greeted by Truman's Republican opponents, as well as some of the conservative Southern Democrats in his own party, as "Socialism in our time," as a renewed incursion of government into the business affairs of the nation, even as a manifesto of an American soviet.

As extreme as those first reactions were, they died quickly; and within a few days after Truman had outlined his administration's policy to a sympathetic, Democrat-dominated Congress, his political adversaries were accepting quietly the *fait accompli* that had been executed by the electorate last November.

It was not easy. The Republicans had directed the last, 80th Congress. Through their control of the legislative branches of government they had frustrated the policies of the Chief Executive at every turn. They had blocked successfully the continuance and development of all the fundamental policies Roosevelt had initiated: the Reciprocal Trade Agreement act designed to loosen American barriers against imports, legislation to grant new (and, perhaps, excessive) privileges to organized labor, and a long catalogue of social legislation.

Two-Year Hope

To make matters worse, the Republicans had lived through the past two years in the confident belief that they would, in the next political regime, control the executive as well as the legislature. They had not suffered Truman gladly through those two years of expectant waiting. When, on January 4, the new president presented them with an outline of his policy—not now as an accidental inheritor of the Chief Executive's office, but as a president with a popular mandate behind him—they were as stunned, and as resentful, as they were on the morning two months earlier when they learned of Truman's election.

The bitterness occasioned by the realization of their own defeat was not, however, matched by bitterness toward Truman. The shock effect of Truman's new New Deal was far less severe than that of Roosevelt's first New Deal 15 years before, even though, in the opinion of a good many political observers, Truman's program was more radical. After all, the conservative elements of the population had gone through a political bombing before—in the early years of Roosevelt's administration —and were hardened to the experience.

The fundamental difference between the Roosevelt New Deals and the Truman New Deal was this: Roosevelt's economic and related labor policies had been designed to correct the damage done by deflation; Truman's policies—essentially similar —were put forward as a cure for inflationary fevers in the economy.

Not Socialism

Whatever category his program might fall within, it was not socialism. It might be that he was carrying on the trend, initiated by Roosevelt, toward the Social Welfare State; but his program lacked all the important elements of policy which mark contemporary socialist adventures in legislation elsewhere. There was no serious hint of socialization or nationalization of basic industry; there was no hint of state monopoly; there was no betrayal of a desire to impose rigorous controls on industry or consumer.

At the same time there was certainly a renewed movement indicated in the Truman program toward the Social Welfare State. There was, too, a new movement toward government participation in the affairs of industry and labor. Perhaps this is what his Republican opponents resented and feared most.

No longer would the government be an arbiter in the problems confronting labor and industry; it would become a partner. "The government must work with industry, labor and farmers in keeping our economy running full speed," Truman had said. "The government must see that every American has a chance to obtain his fair share of our increasing abundance. These responsibilities go hand in hand."

If Needs Are Not Met

The concept had its clearest manifestation in the announcement that Truman's administration would, if necessary, build up productive plant to supplement that of private industry. Truman declared that his government would authorize "an immediate study of the adequacy of production facilities for materials in critically short supply, such as steel; and, if found necessary, to authorize government loans for the expansion of production facilities to relieve such shortages, and furthermore to authorize

(Continued on Page 7)

—Photo by Karsh.

New Economic Adviser to Dept. of External Affairs is Wynne Plumptre who for nearly two years has been Associate Editor of SATURDAY NIGHT. During the war he was Secretary of the Wartime Prices and Trade Board.

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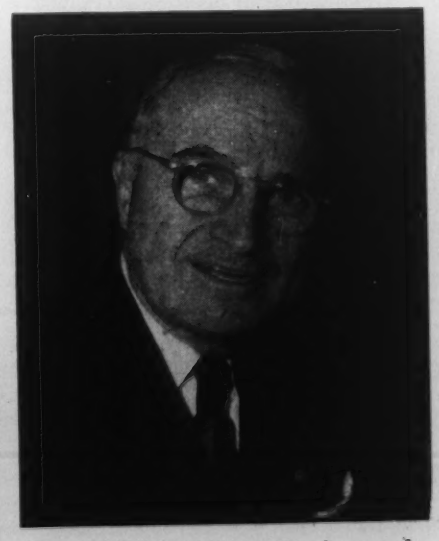

While F.D.R.'s New Deal was designed to correct damage done by deflation, President Truman's even more radical program is put forward to cure the inflation fevers.

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(Continued from Page 6)

the construction of such facilities directly if action by private industry fails to meet our needs."

The very fact that the government might, under certain circumstances, build industrial plant in order to increase production, somehow seemed to echo the order of European socialist governments to socialize or nationalize steel production. Consequently, the initial reaction was that the government was ready to embark on a socialization program.

Praises Private Enterprise

President Truman, who is essentially conservative in his outlook and never misses an opportunity to praise private enterprise sincerely, had nothing of the sort in mind. He made it quite clear a few days after his policy address to Congress that he had no desire to see the government enter the steel business except as a last resort. And then, he presumed, the plant would be operated by the established steel companies and eventually enveloped by them.

President Truman's economic theories are perhaps unorthodox. Whether or not his practice of that inexact science may prove right or wrong remains to be seen.

However, he appears to be satisfied that capital expenditures by the state—for industrial plant expansion, for rural electrification, for expansion of hydro-electric resources, for low-priced home building and for reclamation work are, in the last analysis, deflationary.

On balance they do not seem to be so. All these measures, at a time when inflationary influences are at work, would seem simply to accelerate the trend. Truman, however, appears to be convinced that the inflationary stimuli introduced by new capital investments eventually will be offset by the deflationary influence of increased production from new industrial plant.

Truman, undoubtedly, is walking an economic tight-rope as he enters his first full-fledged term of office. He is, on the one hand, embarking upon a program which is essentially inflationary and, at the same time, placing certain checks and regulations upon the economy—such as continued controls on credit, rents and key materials—which, he assumes, will stem the inflationary trend.

Delicate Balance

He appears, both in his statement of policy to Congress and in his economic report to Congress, to recognize the delicate balance. He appears, too, to be confident that he can maintain that balance.

It is very likely that what has worried Truman's political opponents most is the fact that he presented his whole four-year program to Congress in one massive dose. None of his projects could have been unexpected—he presented most of them to an uncooperating 80th Congress during the past year; but the fact that he decided to deliver them again to the legislature all at once was undoubtedly a shock.

What Will It Cost?

It's safe to say that Truman would have preferred to have fed the program to the legislature in spoonful measures. However, at no time in the next four years will conditions be so propitious for the enactment of his policies. During the next 100 days, while his prestige is at its highest, he has the best chance of pushing through Congress the legislation he promised the electorate last November. And whatever Truman may be, he is a man who has a religious determination to keep his word.

Most of Truman's New Deal will cost the people of the U.S. relatively little. So far as tax dollars and cents are concerned, two of the most controversial measures will cost nothing. The Truman Civil Rights Bill to accord Negroes in the southern states equal rights with whites in obtaining employment and fair wages is one. The repeal, or rewriting, of the Labor Management Relations Act—a Republican-sponsored act which put certain restraints on labor's right to strike and put new responsibilities on organized labor leadership—is another.

On the whole, the social welfare legislation called for by the new Truman administration amounts to only six per cent of the whole $41 billion budget. And the Truman contribution to that sum—federal aid to education and subsidized housing and slum clearance—is only a small portion of the six per cent.

A social welfare state may be in the making, as the Republicans profess to believe. It is not coming quickly. Socialism is not in sight.

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President Truman's naming of Dean Acheson to succeed George C. Marshall (above) as Secretary of State has been criticized by G. O.P. senators, who were not consulted. Mr. Acheson succeeded the ailing General on January 20.

A War Cabinet For Greece Is Now Being Planned

By KEITH BUTLER

There is much talk in Greece of forming a war cabinet, in order to strengthen the administration for the continued fight with General Markos' Communists. Keith Butler, British correspondent in Athens, outlines the present political situation and discusses various politicians who might be in the cabinet.

Athens.

THE Greek situation has greatly deteriorated since the end of 1947, when Markos proclaimed his puppet Communist government in the mountains.

The Greek Army has fought an exhausting, bitter series of campaigns, with partial victories and heavy losses. But the guerrillas today control more of Greece by dint of raids and terrorism than they did a year ago. Greek peasant farmers have been driven from the most fertile, productive areas of Greece by the guerrilla threat to themselves and their women and children. One Greek in 10 is a refugee from guerrilla terrorism, living on the government dole, charity and the help of friends under conditions which the President of the Swedish Red Cross called "indescribable" and worse than those in Palestine.

Even with the American assistance provided under the "Truman Doctrine," and now with E.C.A., the burden borne by the Greek people in direct and indirect taxes is crippling. Prices soar steadily upwards and the government is faced with a constant wages problem and threat of strikes. Reconstruction goes on where it can, and some of the main rail and road arteries have been opened up with American assistance and methods. But reconstruction is something of a mockery when during two months the guerrillas destroyed over 300 bridges, roads, railway tracks, water-systems and technical works, and nearly 300 villages were attacked and looted.

Most Greeks, as well as the British and Americans here, fear that if Greece's military, economic and political situation shows no improvement in the first months of 1949 the country will fall like a ripe plum into the Kremlin's lap through sheer internal disintegration and demoralization.

No Firm Direction

Mr. Mayhew, the Parliamentary Under-Secretary of State for Foreign Affairs, was also putting the Greek point of view—very mildly—when he said on December 10, 1948 that in Greece "there is a lack of political courage and of firm direction."

More and more Greeks are discussing the formation of a war cabinet under General Alexander Papagos, the successful Greek Commander-in-Chief during the Greek-Italian war in Albania in 1940-41. He has an untarnished military and personal reputation. After the defeat and occupation of his country, he refused to come to terms with the Germans, and spent the war in a German prison. He has a reputation for courage and honesty, and is at present the Chamberlain and Military Adviser to King Paul, who regards him with great trust and affection.

He would head a war cabinet whose ministers would be selected from the best political and non-political elements of the nation. Parliament would be suspended for six months or more to allow the war cabinet to cope with the task of controlling the guerrilla threat, snatching Greece from the enfolding Iron Curtain and putting the country on a sure road to reconstruction.

General Papagos is a first-class military leader, a strong personality, and an honest man—but in politics he is an infant, and he knows it. For his political advice he leans on Spiro Markesinis, the dynamic leader of the "New Party," with its 20 members of parliament. A Papagos government would surely include Markesinis in one of the key ministries as its political driving force. Markesinis is a man to watch.

Markesinis calls himself a "Progressive Conservative" in respect of his political program for normal times, but in the present emergency involving Greece's survival he would use drastic measures from the stock-

(*Continued on Page* 15)

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Annual Meeting of Shareholders

The Royal Bank of Canada

Sydney G. Dobson, President, declares private enterprise the very basis of Canada's progress and freedom—Right to take risks and reap rewards the major motivating force in country's development—"Socialism and Communism are not systems of freedom, but of rationed democracy, in which liberty is doled out like social security benefits".

James Muir, Vice-President and General Manager, reports new high records in field of Canadian Banking—Royal Bank assets exceed $2,222,000,000—Deposits reach new Canadian record of $2,067,488,000—Profits moderately higher—$4,000,000 added to Reserve Fund.

The threat to personal freedom inherent in the Socialist and Communist philosophies, and the high promise of Canada's future were stressed at the Annual Meeting of the Shareholders of The Royal Bank of Canada. "On the evidence before the world today, capitalism works" said Sydney G. Dobson, President. "It works so well that the lowest paid workers in these North American democracies are better fed, better housed, and better supplied with the comforts of life than are the great mass of the population of collectivist countries. And they enjoy freedom.

"Our successful development of natural resources confirms our belief in private enterprise as the best motivating force in an economic system. All the natural resources imaginable are useless until they are brought out where they can be turned into serviceable goods, and the primary seeker, the most successful finder, and the greatest manufacturer has been private enterprise.

"Under this system people think hard and work hard because there are reasonable rewards. The need of incentives is recognized in every country where men are free to choose whether they shall work or not work, and how hard they shall work.

"In all collectivist economies—Communistic or Socialistic—the idea prevails that dictators or bureaucrats can arrange the lives of people better than people can do it for themselves. Capitalism, on the other hand, believes that individuals should be free to express their abilities and thereby bring about a better standard of living and a better social order.

"Our system hinges on initiative, the courage to invest capital, the right to take a reasonable profit from such enterprises as are successful and the obligation to stand such losses as may be incurred in enterprises which fail.

THREAT TO FREEDOM

"Socialism and Communism do not seek to make the best of people's minds and enterprise. On the contrary, their process is to level all people by dragging down those who might have superior attainments. They need a strong centralized government with control over all sections of the economy. They are not systems of freedom, but of rationed democracy, in which liberty is doled out like social security benefits. Incentives are lost, and individual initiative is smothered. Standards of work and product remain unimproved, because jobs are assured without regard for efficiency or performance. The ambition of men declines to doing just as much as has to be done and no more. Progress is sacrificed to a worship of averages—and they are averages somehow arrived at so as to be well within the reach of the least progressive. Promotion on merit is abandoned in favour of promotion in turn. Skilled workers receive very little more than unskilled workers. It is only natural that such a state of affairs should drive the best brains out of a country.

"I believe in equality, so long as it is equality of opportunity in education, careers and public life. Socialism is a force which holds back, while enterprise is a force which propels us forward, and gives men and women a chance to display their talent and their worth."

FOREIGN TRADE

While Canada's export figures had shown satisfactory gains during the past few months, Mr. Dobson warned that, "there is nothing in our foreign trade picture today about which we can afford to be complacent.

"Our present peak of business is being maintained to a large extent by artificial respiration in the form of credits from Canada and the United States. To realize our position we need only imagine what would be the state of our commerce—and therefore of our standard of living—if the Economic Recovery Programme and our own loans to Europe were suddenly cut off.

"It is true that we can examine our rising export business of the past few months with certain satisfaction. Last October saw us strike a new high record in domestic exports, both in total and in shipments to the United States. Our total in the first 11 months of 1948 was $250 million higher than in the corresponding period of 1947."

Turning to domestic affairs, Mr. Dobson noted that while the pressure of demand has tended to push prices steadily higher, there has been a levelling off in the rate of increase.

PRICES

"It is with regard to prices", he said, "that the manufacturer and the business man have their greatest worries. No matter how they balance increased labour costs with technical advance, and other increased costs with prevention of waste, they are driven, in spite of all their ingenuity, to raise prices to their customers.

"It seems to me that those who work for wages are ill-advised when they rush into demands which are planned to give them an immediate advantage through increased wages, while losing sight of the fact that there is an important long-term aspect to be considered. How much money a worker makes is far less significant than how much he can buy, and if he is to buy anything at all his employer must be able to stay in competition with manufacturers in the rest of the world."

ELECTRIC POWER

The importance of Canada's hydro-electric power development to the national economy was emphasized by Mr. Dobson. "Wide distribution of power and its healthy development had been, he said, vital factors in promoting Canada's industrial progress and maintaining a high standard of living. "Each installed hydraulic horse-power, if operated continuously throughout the year, would be the equivalent of the power obtained from 4 tons of coal. On this basis, the present hydraulic installation in Canada might be said to represent the annual use of about 44 million tons of coal.

"There are still large reserves available for development. A government tabulation shows 40 million horse-power available, and a little less than eleven million developed by turbine installation."

Discovery of additional oil in Alberta and Saskatchewan was a favorable development to which Mr. Dobson made special reference. "It has become evident," said Mr. Dobson, "that Western Canada, and particularly Alberta, has become one of the brightest prospects for our future supply. It is forecast that by 1950 the oil requirements of our Prairies will be satisfied out of home production and there may be a surplus available for other markets. This is important because every barrel of oil produced and consumed in Canada conserves from three to five dollars of United States dollar exchange."

CONCLUSION

"I be ieve that more attention needs to be paid to the education of our people in the responsibilities as well as the advantages of democratic citizensnip. Too much stress is being placed, these days, on human rights and not enough on human obligations. If it is reasonable for a man to expect to be taken care of when disaster threatens or strikes him, he should be educated to know that he needs to contribute his share to the welfare of the nation. I deplore the increasing trend among a portion of the younger generation today to think too much of security and not enough about going out and really accomplishing something for themselves.

"We live in a world where we should not expect to receive something for nothing. This is an old, old law recognized in economics, and no discovery by any political party or reform faction has ever found a permanent substitute. Queer creeds based on ease and leisure may rise and flourish for a time, but they always run into difficulty which can be overcome only by work."

GENERAL MANAGER'S ADDRESS

Mr. James Muir, Vice-President and General Manager, reviewed the bank's 1948 Annual Report and noted that new high water marks in the bank's progress had been established during 1948. Assets had topped $2,222,000,000, a point never before reached. The bank's liquid assets equalled 74% of all liabilities to the pubic. Commercial loans in Canada had also increased denoting "an expansion of connections and clients as well as the fulfilment of the additional needs of old customers" Mr. Muir also noted a further substantial increase in the number of depositing clients and total deposits of $2,067,488,000, an increase of $133,303,000 over the previous year and a new high water mark in the history of the bank. Earnings had been moderately higher, and in addition to providing for the customary deductions including taxes of $3,150,000 and increased dividends for Shareholders, had enabled the bank to transfer $4,000,000 to the Reserve Fund which now totalled $44,000,000. This left a carry forward in Profit and Loss Account of $1,532,000.

AID TO TRADE

The important role played by the Royal Bank's extensive system of foreign branches in furthering Canada's trade was stressed by Mr. Muir. "We have had a half-century's experience in this regard," he said. "Our oldest branch outside of Canada and Newfoundland, and still in operation, is that in Havana, Cuba, opened fifty years ago this spring. Apart from those in Newfoundland, we have at present 62 branches outside Canada, and, in addition to this direct representation which covers New York, London, Paris and most South American countries as well as the Caribbean area, we have unusually extensive correspondent relations with banks throughout the world. Your bank is in a preferred, if not unique, position to facilitate, as it has for many years facilitated, Canada's foreign trade activities.

NEED FOR ENTERPRISE

"Whatever the outlook for Canadian business in the short run, our long-run position should be secure. For our economic fortunes as a nation depend, not on disturbing short run ups and downs, but on our tremendous wealth in natural resources. Of course, natural resources are of little use unless they are developed. And I agree heartily, therefore, with what the President has just said about the need of ambition and enterprise.

"We Canadians might appraise ourselves and our possibilities a little higher than we are inclined to do. No country on earth has a future that promises to surpass or even to equal ours. Whenever we forget that fact some Canadian voice must speak out, reminding us both of the greatness of our resources and the responsibility that rests upon us to take a mature and an ardent view of Canada's capacity for economic development. Then surely, a breed of courageous, clear-sighted and Canada-conscious men will arise who will become acutely seized of the fact that we are in duty bound to develop these resources and endowments and deal with them in our day for the greater good of generations of Canadians yet to come.

PRAISE FOR STAFF

"It is no secret that pubic opinion of the bank is formed by and large through dealings with the staff, and so the Royal Bank's prestige is largely dependent on personnel—for it is through them that the bank is known to the world for what it is—good, bad, or indifferent. In all modesty, I feel I can properly say that the bank is held in the highest esteem, not only in Canada but in the many countries where we have branches.

"We have a large organization, 10,567 men and women, and if there is sometimes a tendency for members of the staff to feel that they are but very small cogs in a vast machine, I ask them to dismiss the thought, for every single job in the bank is important—every single job must be well done. That our staff, both men and women, are discharging these important duties with untiring efficiency and in good spirit is properly exemplified in the fact that the success embodied in this year's Annual Report is in no small measure due to their efforts. The Executive are fully aware of this—and acknowledge it gratefully.

"We have reason to be proud of our staff, and on their behalf I can tell the shareholders, the public, and our clients that they can all rely on the knowledge that the members of the staff will endeavour to continue to serve them well—with efficiency—with accuracy—and with friendliness."

All Canada Is Represented In Ottawa Beautification

By FRANK FLAHERTY

The addition of nine members, one from each province, to the Federal District Commission coincides with a new and ambitious move to develop a 50-year plan which will make important changes in the whole Ottawa area, and will control development in a 900-square-mile region so as to conform to the over-all plan.

THE recent appointment of nine additional members of the Federal District Commission brings to fruition a long-standing project of giving districts removed from Ottawa representation on the body which administers one of the nation's great assets, its capital.

The intention is that these new commissioners, one from each province, will not only bring their personal experiences and the viewpoints of their communities to bear on the planning and development of the capital area but that their service will contribute to a greater interest in the centre of government throughout the country.

As presently constituted the commission consists of 19 members who serve without remuneration. It is responsible for the care and maintenance of all the federal government's roadways, parks and grounds in the Ottawa area and for the furtherance of the development of the area from the viewpoint of beauty and utility having regard to the fact that it is the seat of the national government.

Until the recent appointments there were 10 members on the commission, all residents of the capital area. The legislation authorizing the enlargement was passed in 1946 and the first government proposal was that there should be 15 members. As a result of the insistence of members of parliament that all provinces be represented the set-up was enlarged to 19. The new appointees from the provinces are: Prince Edward Island, Professor J. H. Blanchard of Prince of Wales College, Charlottetown; Nova Scotia, Henry W. Doane, Halifax businessman; New Brunswick, Dr. A. Foster Baird, dean of forestry and engineering at the University of New Brunswick; Quebec, Gaston Amyot, Quebec City architect; Ontario, B. K. Sandwell, Editor of SATURDAY NIGHT, Toronto; Manitoba, Cecil E. Joslyn, Winnipeg businessman; Saskatchewan, John W. Sanderson, Prince Albert businessman; Alberta, Mrs. Cora Casselman, former member of parliament, Edmonton; British Columbia, W. H. Warren, parks commissioner, Victoria.

The other members of the commission, all of prior appointment, are F. E. Bronson of Ottawa, chairman; the mayors of Ottawa and Hull, ex-officio; J. A. Ewart, Charles Camsell, Duncan MacTavish, Dr. R. Chevrier, J. B. Spence, A. J. Major and J. W. Ste. Marie.

Fifty-Year Plan

The enlargement coincides with a new and ambitious move to develop a 50-year plan for the capital which, if carried out will make important changes in the whole Ottawa area. General outlines of the plan being drawn up by Jacques Greber, noted French townplanner, and a committee of experts have already been indicated. The railway lines which crisscross the city are to be removed. The railway station will be on the outskirts. Railway right of way will be used to create new through streets. There will be designated industrial areas along the railway lines, a controlled rural belt around the urban area.

The shore lines of the Ottawa and Rideau Rivers will be cleared of industrial and commercial establishments, improved and beautified. The cooperation of the provinces of Ontario and Quebec as well as of municipal councils is to be enlisted in controlling all development in a 900-square-mile area to make it conform to the over-all plan.

The Ottawa of today is partly the result of planning, partly the result of normal unplanned urban growth. In so far as the actual urban area is planned the plan came after the unplanned growth. Its implementation was expensive to the taxpayers, sometimes inconvenient to the citizens of Ottawa.

The city was never laid out as a national capital in advance of commercial development as were Washington and Canberra. Yet as a site for a capital it possessed great natural advantages, the imposing bluff overlooking the Chaudière Falls for the Parliament Buildings, the Scenic Gatineau Hills as a background to its skyline and a recreational area for its youth.

The First Planners

The first thoughts of beautification were confined to the city itself, not the surrounding area. Sir Wilfrid Laurier, back in 1893, became interested and spoke of making the city the "Washington of the North". The first planning body was created in 1899 and was called the Ottawa Improvement Commission. It was the forerunner of the Federal District Commission and was authorized to acquire land for park and roadway and other purposes and maintain it.

It was to perform a function which in another city would pertain to the municipal government, apply a principle stated by Mr. Mackenzie King in discussing the Ottawa scheme as: "The requirements of a national capital involve, from time to time,

(Continued on Page 11)

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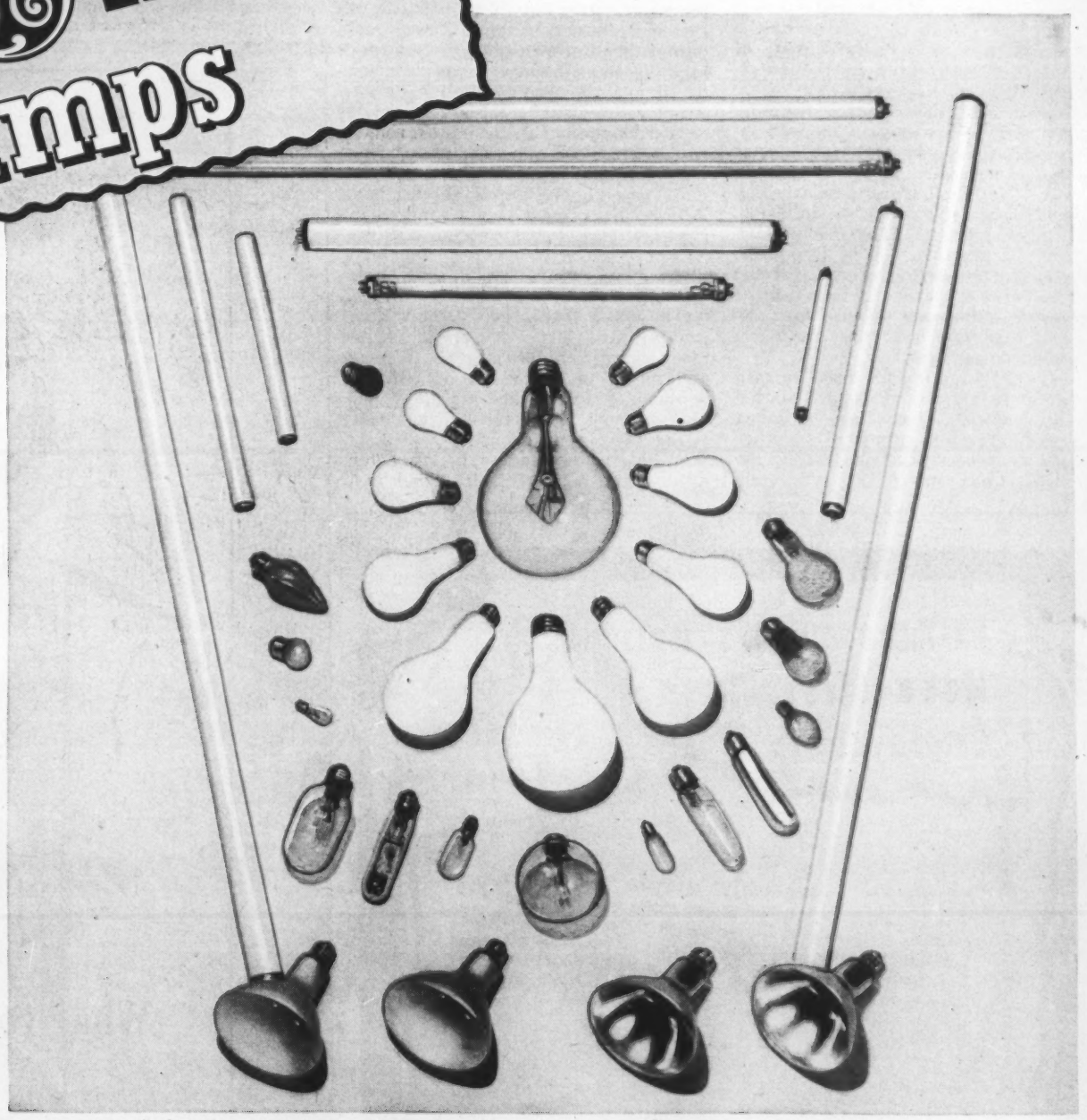

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LIGHTER SIDE

"It Will Never Stop"

By MARY LOWREY ROSS

BEFORE and after the recent East-Midwest Television hookup I had the same attitude towards television as the legendary British character had towards the Age of Steam. "It will never go," he said, watching James Watts' original model gathering up a head of steam. Then, a few minutes later, "It will never stop."

It will never stop. It didn't need the television executives, chairmen and presidents who appeared on the program to tell us that. One by one they were summoned to the handkerchief-sized screen to explain and celebrate the wonder, and though their images were a little blurred and wavering, particularly in depth, their voices were strong, authoritative and prophetic. They were the voices of men who knew they had got hold of a good thing, conceivably the biggest thing in the Twentieth Century. They compared the occasion to the opening of the Erie Canal, to the trek of the covered wagon and to the driving of the last golden spike in the transcontinental railway, but even these images were inadequate. Actually there was no analogy in modern invention for the queer phenomenon of ubiquity, with Mr. Milton Berle presenting himself simultaneously by coaxial cable and radio transmission, all the way across Eastern and Midwestern America. Watching Mr. Berle's image swim forward on the screen one felt face to face and at moments quite nose to nose with the age of television, and how could one find words for that?

Any program might have seemed inadequate to such an occasion. Actually, however, almost any program however casually thrown together would have been sufficient, since the demonstration itself was the program. After a little the chairmen, executives and presidents gave up trying to express the inexpressible and prophesy the unpredictable and the technicians took over. A group of NBC ballet dancers appeared briefly, then vanished while the technicians explained through shots and diagrams how their images were converted into electrical impulses and forwarded to receiving and transforming stations in Cleveland, in Buffalo, in Chicago, St. Louis and Richmond. In Cleveland, Buffalo, Chicago, St. Louis and Richmond the dancers popped up again, their pirouettes hardly interrupted.

THE dancers vanished and a Master of Ceremonies leaned from the screen, said "Hello!" in a voice like a wet kiss, and introduced his orchestra in terms that convulsed the televised young lady beside him. The Master of Ceremonies was intimate, easy and completely unceremonious. "Put your legs together Johnny," he advised one of his players, "you look like an unemployed 'cellist." Johnny, a vague embarrassment in the background, put his legs together and the young lady shrieked with merriment. A girl came on and sang a song about a boy. A boy came on and sang a song about a girl. Milton Berle, introduced as the bright star of television, appeared and went into a monologue, half ruminative but terrifically aware. ("Did *I* say that? . . . Where do I *get* this stuff? It's written for me.") He interrupted his stream of consciousness to introduce Mr. Harry Richmond, who cocked his opera hat over his eye and went into a syncopated monologue about how glad he was he had decided to be an actor against the wishes of his father and his mother and his uncles and his aunts, because an actor's audience never forgets him. (And wasn't video proof of that?)

Milton Berle reappeared and the two went into blackface on the spot. Mr. Berle gave an imitation of Eddie Cantor. Mr. Richmond gave an imitation of Al Jolson. Then both were flooded out by an orchestra playing the Warsaw Concerto. The program wound up with a one-act mystery in which the problem of which character was which, in the shadowy, crowded background, quite overshadowed the mystery of which character murdered whom.

THE program itself could hardly account for a sense of excitement in the studio when the lighted panel finally went blank. The presentation had been a little hazy, perhaps because it had reached us in its final stage, by radio transmission from Buffalo. It was clear, however, that the television technicians still have plenty of work to do on problems of depth, clarity and perspective, since the actors, as they retreated into the background tended to take on a queer simian look, with dangling arms and shortened legs. They had the air too of being badly crowded on the little screen, with hardly more than elbow room for their powerful television personalities.

The demonstration in fact presented most of the handicaps of a very new medium. The excitement and the sense of queerness rose almost entirely from the feeling it gave one of looking through a keyhole down a long shadowy perspective in which almost anything might be expected to take shape. Blinking in the recovered light we could only ask ourselves what happens next, and where we go from here?

We don't need to go anywhere, some of the authorities say. We can simply stay in our own homes, open a window in our living-room to television, and let the world of music, entertainment and information flood in. Events and personalities will be delivered into our homes as reliably as milk bottles to the front porch. Domestic ties will be strengthened and families constantly united. Husbands will hurry back at night to homes graciously presided over by video sets, always informed and willing to please and incapable of talking back. The video set will take care of all the minor irritations which made

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THERE IS A REASON FOR THIS. Because it is important to their health people discharged after treatment for tuberculosis are regular in their habits. They watch their health with the result that absenteeism is no higher than among people who have not had the disease. They come to you only after medical authorities are satisfied they present no hazard to other employees in your business.

When you are hiring a veteran who has had tuberculosis you can secure information on him from officers of the Department of Veterans Affairs who will also be willing to assist you in making the best possible use of his skills and aptitudes.

The approach to the hiring of a person with healed tuberculosis is the normal approach you use in all personnel work. The factors are the applicant's employment history, his qualifications for the available position, his ability to learn, the manner in which he gets along with others, his appearance and his initiative.

It is true there are a few occupations in which the ex-tuberculous patient should not be employed. These, however, are very few, and do not affect general employment procedure. The Casualty Rehabilitation Officer from the Department of Veterans Affairs will be glad to discuss this with you.

In the last ten years at least 40,000 Canadian sanatorium patients, with healed tuberculosis, have returned to normal occupations. Relapse rate has not been high. They have demonstrated that under normal working conditions they make excellent employees.

Canada's veterans, who have been under treatment for tuberculosis, are coming on the labour market some years after the veterans who were discharged from the armed forces without disability. However, these men and women too helped to win a war. Their proper employment helps win another war — the fight against tuberculosis. It is both good public health practice and good business to make the most of their talents and abilities.

Write to the Department of Veterans Affairs for a copy of the booklet **"EMPLOYMENT OF THE TUBERCULOUS".**

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Some of these projects seek new methods of preventing heart ailments and such deadly diseases as cancer, tuberculosis and polio. Others search for scientific information to promote better nutrition, prenatal care and dental hygiene.

And because the life insurance companies help support these projects, *more* "men and women in white" work at these vital tasks. Laboratories expand and buy new equipment. Science makes greater headway in pushing back the frontiers of disease.

In addition some individual companies sponsor special health projects for the benefit of their policyholders.

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commercial entertainment often seem more trouble than it was worth — the problems of baby-sitters and car-parking, the waiting in line and the stumbling over strangers in the dark. With the world of television at his elbow the video-set owner may stay happily house-bound for the rest of his life.

OTHERS take a more conservative view. For long, they point out, television will have to make out with monologists, dietetic experts, recorded and transmitted newsreels, staged political events, wrestlers of both sexes, and survivors of vaudeville, who seem to have a natural affinity for video. Special talent will have to be developed, since an actress may be photogenic without being telegenic and a comedian who is quite frenzied enough for radio or screen may lack the extra telefrenetic touch necessary for the new medium. In any case there is little prospect that the whole world of entertainment will put itself at the disposal of television. Radio, stage and screen still have their own futures to think about, and Hollywood especially isn't likely to cooperate in a scheme that turns every house into an auditorium and every auditorium into a used car lot or roller skating rink.

There is, besides, the inevitable third group which feels nothing but despondency before a televised world. Under television they lament, the human race will become more and more sedentary, passive and illiterate. It will be a world in which people will sit rather than move, watch rather than observe, and look rather than read. The art of conversation and human communication will finally peter out in regimented living-rooms where even the chairs are arranged in rows and all the rows face the same way.

Actually it doesn't matter much what the prophets of either doom or progress have to say. Everyone will want a video set anyway. We are a gadget-worshipping civilization and television is the supreme gadget of the century. We'll want it if only for the fascination of twiddling its knobs and the excitement of compelling and retiring Mr. Milton Berle at will, like a shadowy bottle-genie. In a world of push-button entertainment it isn't the entertainment that counts at this stage, it's the fun of pushing the buttons.

The Beautification of Ottawa

(Continued from Page 9)

developments of a character beyond the municipal improvements ordinarily required in other cities."

Many of the advocates of a greater and more beautiful Ottawa have been convinced the ideal could not be realized without the creation of a legal federal district, on the lines of the District of Columbia, an area separated from the two provinces and administered directly by the federal government and the disenfranchisements of the citizens. It encountered heavy opposition from too many people to be feasible.

The improvements so far effected have been accomplished by the federal government, through the Federal District Commission, buying or expropriating land and improving the land to suit its purposes. Gatineau Park, containing more than 21,000 acres of mountain woodland, Confederation Square in the centre of the city and containing the national war memorial, and the 22-mile scenic driveway system are examples of such developments.

More recently the commission has expropriated land for use as industrial sites and as funds and conditions are appropriate will assist industries such as the large Booth and Eddy mills to move to these areas and vacate ground required for the further enhancement of the central part of the cities of Ottawa and Hull.

Under the cooperative plan of development now accepted, municipal governments are not to be disturbed except in so far as there may be amalgamations and annexations through the normal process. The municipalities are to be asked to cooperate in carrying out the master plan, to enact such zoning regulations as may be necessary to make developments conform to the plan.

Last session Parliament passed a four-point resolution designed to give to the municipalities the assurance that the government would do its share, would actively proceed with the plan and spend the money necessary to make it a reality and therefore an asset to all the municipalities concerned. The four points were:

1. It is desirable that all developments be in accord with a plan which has regard to the position of Ottawa as the national capital and its needs for years to come.

2. A special account be set up in the consolidated revenue fund to which annual appropriations would be made for works recommended by the Federal District Commission.

3. All improvement work should be under the supervision of the commission.

4. Federal expenditures should be conditional on the cooperation of the city and the other municipalities.

Population of 252,000

The 900-square-mile area to be controlled was defined as suitable by a joint committee of the Senate and the House of Commons in 1944. It includes 364 square miles in Ontario, 536 in Quebec; 19 square miles of urban area, 479 square miles of farmlands, 332 of woodlands and 70 of water. The present population is just over 252,000 and there are 29 organized municipalities.

The enlarged Federal District Commission will have the job of carrying out the master plan for this large area and of timing the various phases of the plan to accord with population growth, expansion of government buildings consequent on a growing population in the nation as a whole, and an increasing number of foreign embassies and legations—there are now more than 25 and there were none 20 years ago.

The development of the capital as a city worthy of being the seat of government of a great nation has been one of Mr. Mackenzie King's favorite projects. He was so much attached to it that in the five years he was out of office, a time when depression tended to deter the government from heavy spending on things that could be deferred, he took special pains to plead with the Bennett administration without making a party issue of it, that they not neglect the projects then under way.

It was in Mr. King's last year of office that parliament adopted the policy of proceeding according to a master plan with municipal cooperation and rejected the idea of a separate governmental unit. One of his statements in the speech which commended the policy to parliament summarized the position thus: "the public buildings and public thoroughfares of a capital should lend inspiration to its position as a centre of the culture of the nation, its arts, letters, science and government. Countries are more or less known by their capitals."

• •

QUIET HUSKIES

LEE CHEMINANT, of Anchorage, Alaska, put a Vancouver parking meter to good use when he tied eight husky dogs to it while he went off to attend to business for an hour or so. He values his dogs at $2,500, and is taking them to Mount Baker, Wash., and Sun Valley, Idaho, to compete in races. Unlike most huskies, the dogs are quiet and friendly.

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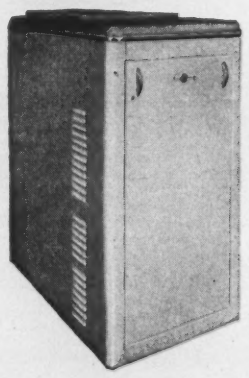

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The Tower of London, where Good Queen Bess was once held captive.

COMING EVENTS
Bath Assembly. Music, Opera, Drama, May 8—23 · Trooping the Colour, June 9 · Open Golf Championship, Deal, July 4—8 · Edinburgh International Festival of Music and Drama, August 21 — September 11.

Information and illustrated literature from the British Travel Association (Tourist Division of the British Tourist and Holidays Board), 372 Bay Street, Toronto, Ont., or Room 410 Dominion Square Bldg., Montreal, Que.

BT-19

N. Ontario As Food Source Must Not Be Neglected

By GARRETT WILLIAMSON

Recent scientific predictions that the world does not produce enough food for its entire population make it vital that every country should look to its agriculture.

The writer urges the development of Northern Ontario's enormous possibilities — but only with an over-all plan stressing conservation and density of settlement.

FROM a global point of view, we are apparently living on a semi-starvation basis. It has been determined that 2½ acres of arable land are required to provide each human being with the absolute sustaining minimum of food, clothing and other essential derivatives of the soil. Surveys have shown that world population is in excess of 2,000,000,000 and that not more than 4,000,000,000 acres are under cultivation.

It is possible to reconcile these figures only on the assumption that many of the earth's inhabitants are starving. Judged by our own standards this is literally true. In the great continental land mass which is Europe and Asia all gradations, from the under-nourishment of the war-ravaged countries to the semi-starvation in great areas of China, may be observed. Despite widespread famines, the Chinese still survive largely because their agriculture has been reduced to the growing of wheat and rice to exclusion of other products.

Enormous areas of the world as in North Africa and Asia Minor, have become totally unproductive as a consequence of man's misuse, and today the trend appears definitely to support Thomas Malthus's contention that world population would eventually outrun food production.

It is not to be expected that the high-priced food stuffs of this continent can offer much hope for the Chinese but the precarious situation in which that great area exists presents a warning which we shall do well to heed. A rapidly increasing population over a long term of years has led to the fullest utilization of every available acre of arable land. Such utilization is a direct invitation to the ravages of flooding and erosion.

China has had both in full measure and an increasing need for food has been frustrated by an ever-decreasing fertility. In such a country natural fertilizers are scarce and synthetic fertilizers are far beyond reach. It is a process of degeneration which can be countered, on any attainable basis, only by a steadily decreasing population due to starvation.

A Long-Term View

To us, on this continent, the spectre of actual starvation may have little meaning and indeed it is so remote that it need cause us, as individuals, small concern. From a long-term national point of view, however, the situation is already serious. The fertility of our cultivated land is declining although this fact is obscured by increased production in some areas because of improved strains of what we grow. This is a process which does not lend itself to indefinite extension and the basic value of the soil is steadily deteriorating.

The manufacturer, to be successful, must keep his plant in a constant state of high efficiency. The operator dependent on forest growth has learned, or is learning, after much sad experience, that his stands of timber must be preserved and constantly improved.

The farmer alone appears to believe that his land is inexhaustible. The top soil on which his yield depends is yearly running off in muddy floods. Thousands of years were required to make that vital surface, and fifty years of cultivation too often sees the end of it. Organic matter, the result of the decay of centuries, the potash, lime and other minerals on which vigorous plant life depends are yearly adding to the unprofitable silt on the floors of lakes and oceans. The micro-organisms, essential to productive soil, disappear and inorganic chemical fertilizers, useful as they may be as stimulants, are no substitute for nature's alchemy.

To pin our hopes for the ultimate salvation of the race, as has been suggested, on the development of low forms of marine plant life as a source of proteins, fats, starches and sugars is admission of defeat. Better far to direct our efforts to the conservation and improvement of what we now possess.

Canada, despite the arm-chair pessimists, has vast areas capable of full agricultural development. Both Europe and Asia have demonstrated that parallels of latitude are not impenetrable barriers against the push of northward-probing agriculture. The Province of Tobolsk in Siberia lies between latitudes 55° and 70° north. It has a population of 2,000,000 people. It produces great quantities of wheat, barley, rye and oats. It is a dairy country on a grand scale. Aklavik has demonstrated that even the farthest north in Canada cannot be written off as a frigid waste.

How much more then should Canadian agriculturists be turning their attention to the well-proved land in Northern Ontario. Centred on the 49th parallel of latitude, right where the West begins, are 16,000,000 acres of as productive land as may be found in Canada. It has been proved throughout its length and breadth. It can grow anything the west can grow and, within a narrower range, it is far ahead of Southern Ontario in productivity. Large cleared areas have the gently rolling character of the land surrounding Saskatoon and the prairie-like fields at Englehart are Manitoba in a finer setting.

The Cochrane area produces 400 to 500 bushels of potatoes to the acre. New Liskeard grows the finest field peas in Canada. The whole area produces fireweed honey, superior to clover honey, on a scale which leaves Southern Ontario far behind. Three crops of alfalfa are not unusual and three to four tons of hay per acre cause no surprise as far north and west as Kapuskasing.

Two examples may be cited as the rewards which attend intelligent cultivation. Six acres of land in the Cochrane area produced 2000 bags of

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Takes less gas.

Cuts dead weight.

Won't rust.

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certified seed potatoes (Chippewas) which sold for $7000. Five acres of muck land at Kapuskasing yielded sixty tons of cabbage this summer and they sold for $100 per ton. Lambs from the Lesser Clay Belt and from Nipissing command premium prices in Toronto. The story is the same wherever intelligence teams with the natural fertility of the soil.

Time was when to create a farm in Northern Ontario entailed a lifetime of heart-breaking toil. That day is past. The labor of the pioneers has not been in vain and at last it has been recognized that the old methods are not good enough. Regulations introduced two years ago now make it possible for the individual farmer to clear ten acres annually with the aid of mechanized equipment and at a price which represents approximately one half of the cost of the operation. New land may be broken under the same generous arrangement. Comprehensive drainage schemes are also being undertaken by the Ontario government and already several hundred thousand acres have been benefitted.

Over-All Plan Needed

An entirely new outlook faces agriculture in Northern Ontario but, without an over-all plan which considers every factor, clearing, breaking and drainage schemes may prove to be the first steps in the deterioration of the last great readily-accessible area of arable land in Ontario. Cultivating and draining land in Southern Ontario has had the effect of creating deserts and promoting the gradual degradation of most of it.

Vital factors were disregarded, as has been the case throughout the history of North American agriculture. Drainage was much too extensive with the result that quick run-off was encouraged which led to erosion and floods. Natural reservoirs, such as swamps, disappeared and woodlands, which check run-off and maintain watertables, were ruthlessly destroyed. The major watercourses were denuded of trees and their ravined and fissured banks are to-day evidence of the folly of unregulated exploitation.

All this may be avoided in Northern Ontario if conservation measures are made the first steps in the general development of the Great Clay Belt. Such measures can be given effect without cost if adopted now. Certain definite regulations should be made mandatory. Twenty-five per cent of all farm land should be retained in ungrazed woodland. No clearing should be permitted on the banks of any stream. The cutting of timber in such areas should be confined to mature trees and should be done only under the authority of the District Forester. A green belt should be retained by the Crown on the banks of all major streams as public park land.

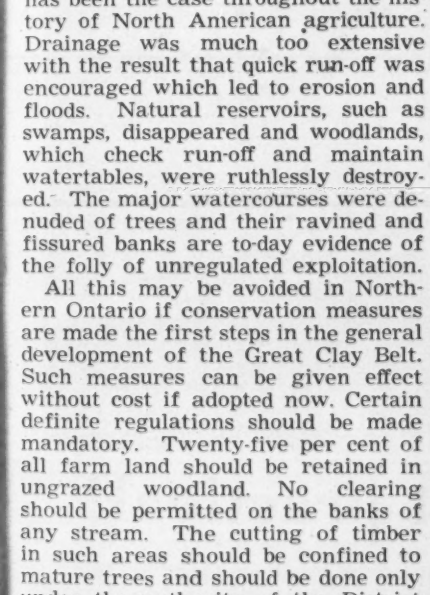
Orderly development under a comprehensive plan is essential if the agricultural possibilities of Northern Ontario are to be fully utilized. Conservation is the first essential but closely following it is insistence on density of settlement. Dispersal has meant disaster in the past and it will always impose handicaps. The older settled parts still have ample land available. Focal points for settlement are New Liskeard, Englehart, Matheson, Cochrane, Timmins, Kapuskasing and Hearst. From these land settlement should radiate and it should be restricted to these areas until they are fully developed.

The advantages of concentration are obvious. The expense of building and maintaining roads and of distributing hydro-electric power is kept to a minimum and proper processing and marketing facilities are more readily attainable. Economically this is sound and it adds greatly to the amenities of rural life. It also increases the effectiveness of the Agricultural Representatives whose staffs should be very substantially enlarged.

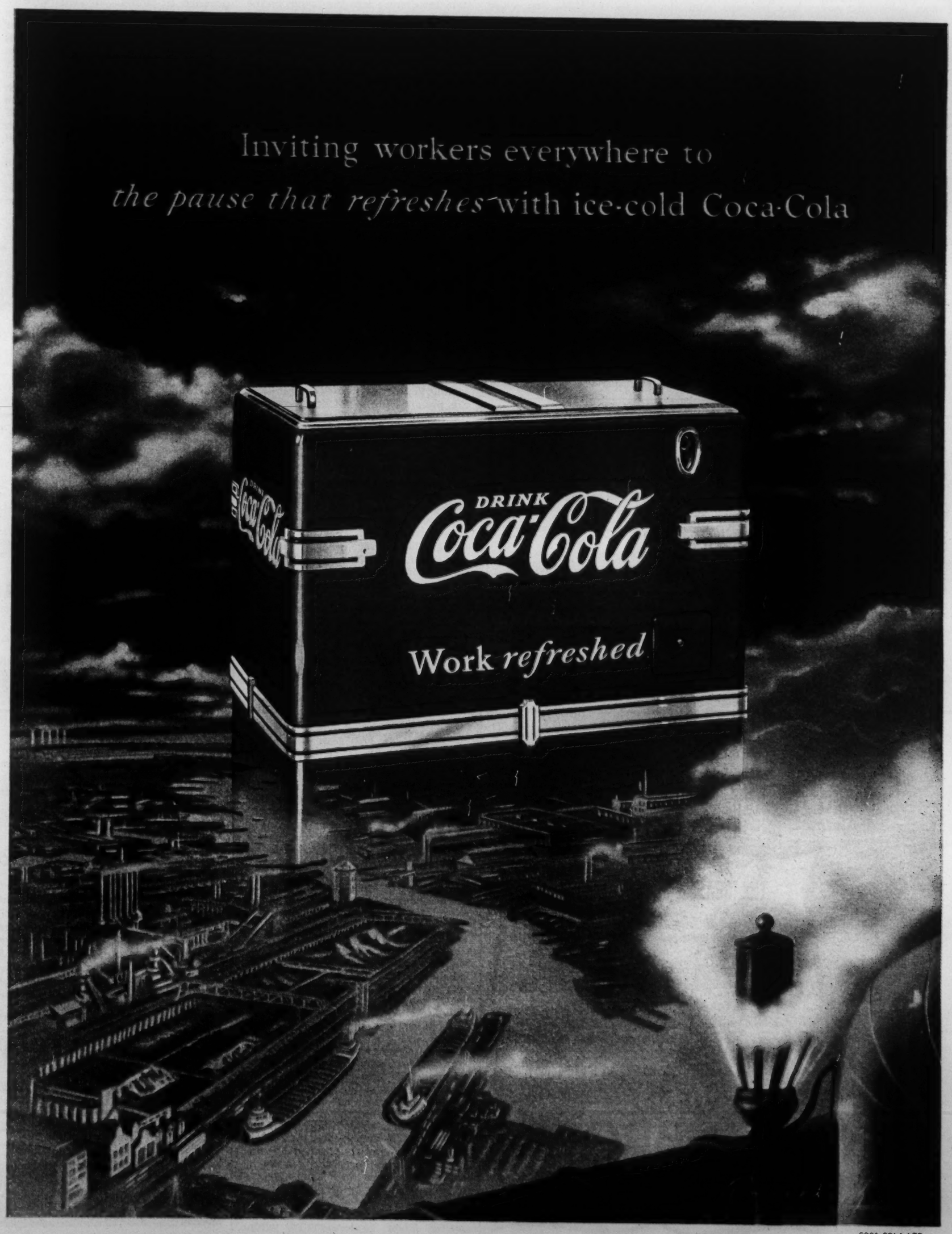
In a hungry world, it is the part of wisdom to develop and utilize what we have rather than to continue to run our wasteful course in the hope that science will find in seaweed and chemical synthesis the answer to our difficulties.

We have in Northern Ontario a potential agricultural empire of sixteen million acres ready for intensive settlement. Beyond that, as an ace in the hole, is the great Coastal Plain of at least equal extent and all comfortably south of 52. We can take small pride in our intelligence if we continue to permit this great productive area to lie idle.

U.S. military transport C-97. Fuselage is more than double the B-29. U.S. Air Secretary Symington says that with C-97's on Berlin airlift daily totals can be doubled. To the end of 1948 700,000 tons had been flown.



Gen. Sir William Slim, 57-year-old Chief of the General Staff of Britain, who was recently promoted to Field Marshal, thus completing a rise from private to highest rank.



THE WORLD TODAY

Crossed Threads In Middle East; Israel's "Two Great Friends"

By WILLSON WOODSIDE

THE issue in the Holy Land has passed long since from the moral to the military plane.

The day after the U.N. announced its partition plan, the moderate Tel Aviv paper *Ha'Aretz* declared: "the people must know that what they have been given is not a state but the permission to set one up." Dr. Weizmann modified "permission" a few days later to "opportunity."

The revisionist press was explicit about this opportunity. On the same day it featured the slogans which have long served the Zionist extremists. "If I forget thee, O Jerusalem, let my right hand lose her cunning—" so much for the Holy City, allotted to international control. "Two banks hath the River Jordan, the one is for us and the other as well—" so much for Arab Palestine, and Transjordan.

"To thy seed have I given this land from the river of Egypt unto the great river, the River Euphrates—" a claim to all the lands traversed by the ancient tribes of Israel in their wanderings and exile.

Here was laid down the program for the action of the past year. Jerusalem, as President Weizmann stated there the other day, was the core of the whole Palestine idea, and there could be no thought of giving it up. Western Galilee, one of the three Arab patches in the six-patch crazy-quilt devised by the U.N., was seized by the Israeli at the beginning of the fighting, and spokesmen of all parties have declared that there is no intention of yielding it. Indeed, its empty Arab towns, villages and farms are even now being settled by new Jewish immigrants.

Count Bernadotte, faced with this determination, and with the complete unworkability of the six-patch scheme, proposed a new partition plan which would leave Israel a one-piece state, including the developed area of Western Galilee, and give the Arabs the Negeb desert area to the south, in exchange. Jewish extremists killed Bernadotte for his pains, and the Israeli staff chiefs carried out two sharp campaigns which secured not only the Negeb but most of the Arab coastal plain to the south of Tel Aviv—the Arab port of Jaffa having been seized much earlier.

Thus the frontiers of Israel are being set by conquest just as this commentary foresaw last spring, and not by the United Nations plan, which Prime Minister Ben-Gurion declared on its first anniversary, Nov. 29, to be "no longer binding."

That is, of course, only one side of the picture. The Arabs refused from the beginning to accept *any* Jewish state in Palestine, and neighboring Arab states sent in armies to prevent its establishment, or suppress its existence.

The Israeli call these Arabs "aggressors" and "invaders." The Arabs call all of the Jews who have come into Palestine from abroad "invaders" and "aggressors."

And there are the British, whom the Israeli see as *the* enemy, standing behind the Arabs and egging them on—the British, who sponsored the Jewish National Homeland idea in the first place, paid the price of driving out the Turk and of administering Palestine under alternating attack by Arab and Jew, while over half a million Jews came into the country; the British, whose stand at Alamein incidentally saved the Jews of Palestine (though these gave more help in that campaign than the Arabs did); the British, who sought through twenty years for a solution which both Arab and Jew would accept—they are now *the* enemy.

Accuse the British

No accusation is too far-fetched or unjust to serve this campaign of calumny. Forgotten or suppressed are the facts that anti-semitism was so much less evident in Britain than in other great countries that the highest positions in the land, those of prime minister and of viceroy of India, had been opened to Jews; that hard-pressed as she was, Britain had taken 70,000 refugees from Hitler's madness into her narrow isles in the years before and during the war.

There is the U.N., too. Its partition plan provided the initial basis for the Jewish state, but the Israeli would be justified if they said that it had forfeited their respect and obedience by failing to provide the forces to impose the plan. In the event, it is ignored. Its mediator has been assassinated, and its observers were prevented from going to the front during the recent campaign in the Negeb, which led to the shooting down of five British reconnaissance planes seeking information on the penetration into Egypt.

Many Israeli may answer with burning conviction that *no one* has helped them, that every hand was against them, and that only their own sacrifice, determination and military prowess has given them a state of their own.

Such an attitude, however, makes an end to talk about justice and morality. The boundaries of the new state are not being set to accord justice to Jew or Arab. They are not being set according to the U.N. partition plan, the Bernadotte Plan, or any of the plans worked out by British and British-American Commissions over the years. They are being set by conquest.

Expel the Arabs

The right of the Jews to return to their historic homeland is being cancelled out by the expulsion of the Arabs to make room for them. The reaction to persecution and discrimination over the centuries is described from Tel Aviv by that most just of all observers, Anne O'Hare McCormick of the New York *Times*, as a "smug feeling of superiority" over their Arab neighbors, who have proven less able in cultivating the land as in defending it.

The ideal of a spiritual home for world Jewry is being transformed into a militarized state, expanding its territory as opportunity offers, aided by a calculating diplomacy which plays the Arab states, and the big powers, against each other.

This is not all the fault of Israeli. I am sure that many of them would reply vehemently: this is the kind of world we live in; these are the methods which it forces on us. (They might even add that, after all, we took Canada from the Indians).

But is it not time to beware of the end to which such means may lead? The citizens' militia planned for the new state may become storm troopers, as the Irgun did. Their feeling of superiority over the more backward Arabs may become a dogma. Their appetite may grow with the eating. Their moderates—of whom the outstanding leader, Dr. Magnes, has just passed from the scene—may be less and less able to stand against the demands, intimidation and electoral competition of the extremists.

Their reliance on the Soviet bloc for arms, which have been coming from Czechoslovakia by Soviet permission and design—may lead them into the position of a Soviet dependency, all the more since only by carrying on a policy agreeable to the Soviets can they secure the exit of their new population from the satellite states of Eastern Europe, where it is conconcentrated, and can be held hostage.

At the same time their call on Jewish brethren in the Western world for support—they depend on them to a great extent for funds to bring in immigrants and arms from Eastern Europe—must in some circumstances produce a painful divided loyalty. How, for example, is a Canadian Zionist, anxious to support the new Jewist state and to help rescue his unfortunate brethren in Europe, going to feel about Tel Aviv's bitter anti-British attitude?

Finally, if history allows so much time, their sweeping victory and their expansionist policy must awaken and arouse the Arab world, much as the Chinese were stirred out of centuries of lethargy through their defeat in 1895 by a Japan which had suddenly acquired technical superiority. Reports coming from the Middle

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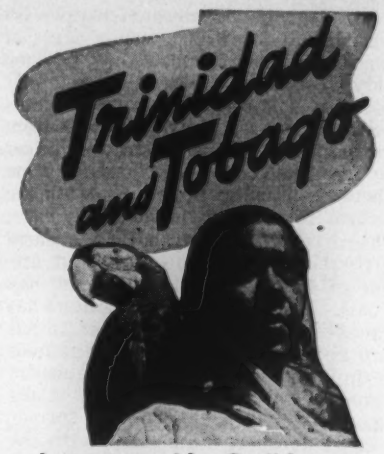

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East indicate that the full facts of Arab defeat are only now beginning to make their impact on the masses, promising to create a ferment which will topple governments and throw the whole area into turmoil.

The Soviets may be presumed to understand this perfectly, for unrest is their business. With their long-standing hostility to Zionism and rigid suppression of it within the Soviet Union, the only plausible explanation of their letting Jews—and Jews alone—leave the satellite countries for Palestine, and allowing Czechoslovakia to supply Israel with planes and arms, is that they have been cold-bloodedly pouring oil on the flames.

Only the Soviets Gain

The results of the policy are its test. The Americans are turned against the British. The Arabs are turned against both British and Americans. The Western position in one of the most critical areas of the world is seriously weakened and the local governments undermined. The Israeli press is brought to refer, day by day, to "our two great friends"—one of them being Russia. And the Soviet representative in Tel Aviv is able to offer the Israeli Foreign Minister his government's "friendly assistance"—against the British.

Of Israeli's "two great friends" the Americans are now supplying the money and the Soviets the arms—for American money. Nor will it be easy for Israel to get out of this position. Why could she not simply switch and procure arms in America, once the U.N. embargo is lifted? Can the United States arm Israel, whilst Britain maintains alliances with several Arab states? Can the Americans persuade the British to give up their connections with the Arab states and base the Western position in the Middle East solely on Israel?

That would mean asking Britain to give up all her Middle Eastern interests, since relations with Israel would be handled almost entirely by the Americans. It would mean, to the Arab countries, that the Western powers were abandoning them entirely and supporting and arming their enemy. The Arabs would be thrown into the arms of the Soviets.

Nor would the Soviets need to wait for such a development. They can hold over the Israeli the threat that, if they do not carry on a friendly policy, and eventually establish in Tel Aviv what is known euphemistically as a "friendly" government including pro-Soviet elements, they will not only cut off the arms supplies but switch support to the revenge-seeking Arabs.

The way the Western powers are playing their hand, it is hard to see how the Soviets can lose. The recent crisis has shown that they are still unable to develop a common policy towards a Palestine settlement and the Middle East in general. Aside from an evident clumsiness and bad temper in Bevin's handling of it, British policy has held that, by a common stand the United States and Britain could secure a settlement as fair and agreeable as possible to both Jews and Arabs, stop the fighting, check the repercussions throughout the Arab lands, maintain the Western position in the Middle East and forestall Soviet schemes there.

In such a settlement the British would prefer to follow the Bernadotte Plan which, giving the Jews Western Galilee, leaves the southern Negeb desert to the Arabs, and joins Arab Palestine, with close to a million inhabitants, to Transjordan.

That would notably strengthen the British military position around the Suez Canal and covering the Iraqui oil-fields, leaving a land-bridge linking the Sinai Peninsula in Egypt with Transjordan, and considerably strengthening the latter country, Britain's most dependable ally in this area.

No doubt Mr. Bevin's temper was not improved when, after General Marshall announced in September that the United States would support the Bernadotte Plan as "a generally fair basis of settlement," and Britain had accepted it too, abandoning her long-held position of refusing to endorse any plan not previously accepted by both Jews and Arabs, Mr. Truman reversed the American position once again and rejected the Bernadotte proposals. Mr. Bevin had a similar experience with Mr. Truman, also associated with election politics, when he had the Jews and Arabs in conference in London, in 1946.

It is fashionable once again on this side of the Atlantic to depict the British as being immorally concerned with "strategic interests" in the Middle East. Full-page Zionist ads, accepted by even the best American papers, proclaim that in pursuance of these dark interests Britain has launched a "new war" against Israel.

It would seem fair to observe that Britain's concern for the strategy of this area at the crossroads of the world was a mighty fortunate thing for the Jews of Palestine when Rommel was pounding towards it across the Western Desert, and Hitler succeeded in raising a pro-Nazi revolt in Iraq and finding collaborators in Syria.

British-American Debate

The British effort in the recent crisis has been aimed at getting the Americans to use their influence to halt Israeli expansionism and check the spreading crisis in the Middle East.

The American counter has been that the British should stop moving troops and planes, which seemed to support the Arab governments and encourage them to hold out and prolong the war. If Britain would withhold this encouragement, the Americans argued, the Arabs would have to recognize Israel as an accomplished fact, and there would be a settlement.

While this debate goes on, the march of events serves only the Soviets.

GREEK WAR CABINET

(*Continued from Page* 8)

in-trade of every political party, as Mr. Churchill did after Dunkirk. Former lawyer, resistance-group leader and King George's secret representative in Axis-occupied Greece, Spiro Markesinis with his five-foot stature and his midget party were laughed at when they first appeared on the political scene in February, 1947. Now they are respected by most and feared by their opponents.

He has one rival as potential leader of a war cabinet. That is the "pocket" Admiral Voulgaris, who headed a coalition government soon after the Liberation. He has a reputation for energy, but is generally regarded as being the protégé of the industrialist-financier, Bodossakis Athanassiades. For this reason the "pocket Admiral" is more suspect than the "pocket politician."

If Markesinis comes to power with General Papagos and eventually heads a government of his own he has great plans for the industrialization and remodelling of Greek economic life. And he believes Britain will again have the most important role of any foreign country in Greece.

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It's Easy To Pick Edmonton As Hub For Alberta Music

By TRUDY SHAW

Edmonton has had a brilliant history of musical ventures and, as shown in the recent production of the Civic Opera Company, it is continuing the effort. But all this rich entertainment only underlines the fact that Edmonton still lacks a proper civic auditorium.

EDMONTON is proud of the fact that Mona Paulee of the Metropolitan Opera Company can be claimed as a famous native daughter; and it is not too much to hope that one day other young musicians may follow in her footsteps.

Music being a universal language, young people from the West who "go East" find themselves accepted on their merits as musicians. With the advent of radio into schools and homes, even our native cowboy songs are being superseded by the music of the world.

There is plenty of musical life in Edmonton itself. For four days last November the city was distinctly opera conscious when the Edmonton Civic Opera Society opened its fourteenth season with the presentation of Balfe's "The Bohemian Girl". It was another in a long list of personal triumphs for Mrs. J. B. Carmichael, who has swung her baton as musical director through all 21 productions since the Civic Opera Society was formed in 1935 and before that led the old University Philharmonic Society through many a hit.

Once upon a time Edmonton boasted not only two opera companies but a stock company and a thriving, first-rate orchestra. The orchestra movement languished for some years, until its revival under the able direction of Mr. Abe Fratkin who continues as its conductor. Much fine work has been done, and as proof of its value to the life of the city, the City Council last fall granted a substantial sum to ensure its continuation.

But there are other outstanding influences for good music in the city. Especially notable is the work of the Women's Musical Club. Founded in 1910, the club has continued to grow in scope and prestige. Sparked by the energetic Mrs. Ernest Meaden, herself a musician of distinction, the club encourages and directs the performances of local artists. Since 1934, in cooperation with the late Mr. Fred M. Gee and lately his son of Winnipeg, it has brought to the city some of the world's great artists, seventy-six concerts in all. It is of interest to note that the Celebrity Series movement is spreading to smaller cities, and that Red Deer this current season is featuring five of these musical events.

Now let us get back to that Civic Opera Society. It has been one of the most potent musical influences in the city. This is the personal "baby" of the energetic and consistently-good-humored director mentioned above, Mrs. J. B. Carmichael, the former Beatrice van Loon. Coming from the U.S. in 1919, after a distinguished career as a singer, violinist and director, Mrs. Carmichael has made the advancement of good music in her adopted city her lifework. Associated with the University's dramatic productions and those of the Women's Musical Club for many years, Mrs. Carmichael conceived the idea of sponsoring a permanently-functioning body for the presentation of opera. Beginning in a small way in 1934, the group has grown consistently in the way of production and influence. Several of its members have gone on to larger fields. At least four "graduates" formed part of the large troop-entertainment groups functioning overseas during the late war. It is Mrs. Carmichael's opinion, gained from annual visits, that in regard to the advantages of the studying of opera scores and stage experience, the West is rather ahead of the East.

For Smaller Centres

Newly-inaugurated, the record-lending library at the Public Library has met a great need under the able guidance of its director, Nicholas Alexieff. Not only are the finest records available to all, but public concerts are loud-speakered at noon for the benefit of lunch-hour crowds. Another fine project has been undertaken by an enthusiastic young veteran, Blake McKenzie. Fired by the lack of good music in smaller centres, Mr. McKenzie has inaugurated the Prairie Concert Series, using several well-known musicians.

Organized during World War I by the energetic John Michaels, better known as "Mike", the Edmonton Newsboys' Band has been a power for good amongst the city's youth. School boys and Naval Bands carry on the fine tradition.

One of our proudest boasts is that the Provincial Musical Festival movement had its origin here under the aegis of two of our best-loved musicians, Mr. Vernon Barford and Mr. Howard Stutchbury. Although smaller festivals had been held in the province prior to 1908, it was in that year that the larger movement was carried to fulfilment. The festival marks a high point in the year for both contestants and listeners.

Great impetus to the musical endeavor was given not long ago with the creation of a Chair of Music at the University of Alberta, lately vacated by Professor John Rheymes-King, formerly of Metropolitan Church, Toronto. And the recreation program under the able direction of Mr. Richard MacDonald of the Cultural Activities' Branch of the provincial government already are bearing fruit.

During the past two summers under the auspices of the City Recreation Commission, headed by Mr. John Farina, "Concerts Under the Stars" have proved a happy innovation. Undaunted by the lack of a band-shell, the Commission held the concerts in local ball-parks, and, finally, in the new stock pavilion at the exhibition grounds. Controlling his musicians with a firm hand—thanks to his air-force training and his three years' study at the Royal Conservatory—26-year-old Lee Hepner produced some very fine music.

Other fine groups are the String Orchestra conducted by Mr. LeRoy Olsen, and the bands, choruses and rhythm bands of the local colleges and schools. A great compliment was paid to the city last year when two of England's well-known musicians chose to make their home here. Randall Stevens' splendid baritone voice has lent distinction to many concerts, and Mrs. Stevens, better-known as Constance Drever, is one of the "greats" of the British stage.

Nor has composing been neglected. At least two of our younger writers, Robert McMullen and Fraser Macdonald, the latter now of Toronto, have had the honor of having their compositions on national networks.

The lack of an auditorium is a sore spot in the local mind. Never was its need demonstrated better than during the war-time tour of one of the larger troop-shows. Little did the public guess, watching the smooth-running production, that substitutes were being hustled into costume to replace girls who were fainting due to the intolerable conditions under which they were housed in the dressing-rooms of the only available theatre.

Notwithstanding this, the touring shows have re-discovered us. Last fall came productions of the Gilbert and Sullivan operas upon which many of us cut our musical teeth, presented by an American company. The Women's Musical Club opened their program with local talent, bringing us later such perennial favorites as the Don Cossacks and Jan Peerce. The University Musical Group has begun an active year, bringing in such artists as Reginald Godden, and the Civic Opera as mentioned earlier, went away back to the glorious music of Balfe with "The Bohemian Girl."

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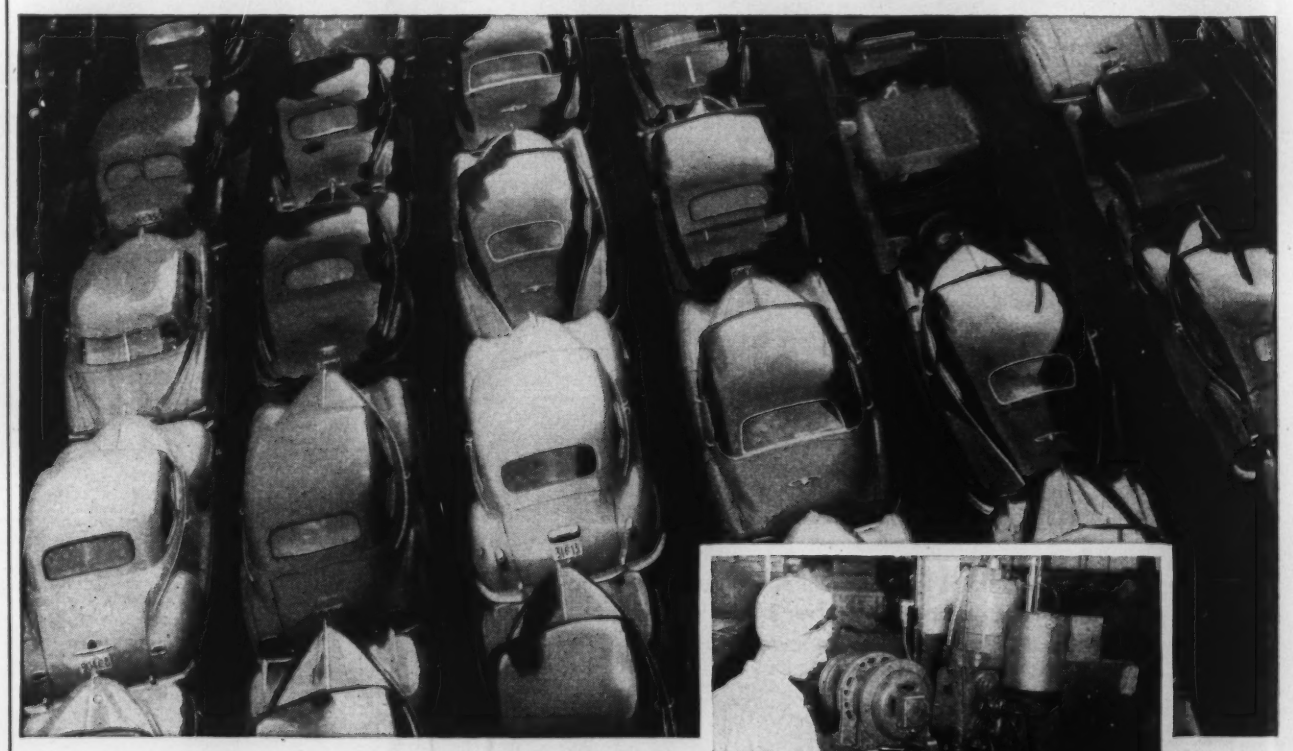

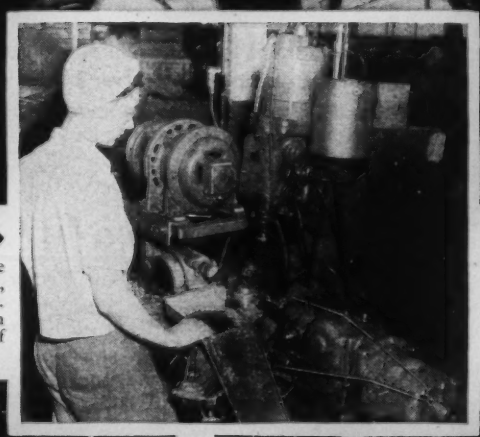

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A Cry From The Depths of Misery To Teach A Very Guilty World

By ROBERT AYRE

THE SKY IS RED—by Giuseppe Berto—*Saunders—$2.75.*

"THE Sky is Red", which is a best-seller in its native Italy and which has been chosen by book clubs in Great Britain and the United States, has been described by a critic as "the best book about the war that has yet appeared in any language." Even if the statement were toned down to "best novel" I should still think it on the strong side. But it doesn't have to be the best, it doesn't have to be even a great novel. It deserves to be read because it is a sincere and moving human story, it is a cry out of the depths of misery that should not go unheeded.

The story concerns the lives of four children in a bombed Italian town. Giulia is the consumptive daughter of a prostitute, Carla, is herself a prostitute, Tullio, her lover, is the captain of a gang of boy thieves and blackmailers and Daniele is a waif, whose parents were killed in the air raid which destroyed a large section of the town. They live together, as furtively as rats, in the ruins of a brothel in the forbidden area behind the barbed wire, the city of the dead.

Now except for Daniele, who is a college boy gently nurtured, these children are not simply victims of the war. The three who take him in and most of the other characters in the story were bred in a notorious slum, inured to disorder and squalor, schooled to poverty, beggary and vice. The bombs intensify and speed the pace of their wretchedness but are not the reason for it. "The Sky is Red" is something less than a book about the war and something more.

It is less because essentially it deals with only one aspect of the war, its impact on the lives of the submerged who are no better off in peace; it gives us a glimpse of the dilemma of American troops, plain men baffled in their attempts to make the best of a bad job and longing only to get home, but only a glimpse; and the wide and complex context of the war is beyond Mr. Berto's scope. It is more, because it recognizes that even greater context in which the war is only a part—the tragedy of the human situation.

Mr. Berto is telling a story, not writing a tract, and it is a good story, full enough of incident for a movie—though too sad, I fear, for Hollywood—yet consistent and plausible. It ends in despair. There seems to be no way out. One character, an old schoolmaster, driven to sell even his bed to get food, tells Daniele that "humanity cannot continue along this evil path. Surely some day it will rediscover itself," he says, "and then a greater good will come to all men . . . I'm certain that a better time will come . . . And if I myself haven't the strength to reach that moment, it does not matter. But you must reach it, you and all those like you who are young and have goodness in your hearts . . . . You have your mission in the world, to see that men become better, and forget violence and hatred, and learn to forgive the evil they have done to each other."

But Daniele does not believe him. He doubts, indeed, whether the old man believes it himself. He is young but he is empty. High-spirited Tullio had been, in an emotional way, a Communist; but Communism is scarcely mentioned in this book; no more is the Church. Without politics of any kind, unsupported by religion, bereft of parents and friends, forced to live a vagrant life that is not his, hopeless of finding his place in the world, Daniele makes his last practical, pathetic gesture to his suffering fellow men and surrenders. Had he been a little older, perhaps faith in humanity would have been quickened by the warmth and goodness of the sinners he lived with; had he been a little tougher, perhaps he would have survived. But the weight of the world is too heavy for his young shoulders.

In the last paragraphs, the novelist speaks of the deepening misery of the people and he blames it on "a war that had been lost." In spite of all that was said, it must be recognized that it was a lost war. "And they had been left alone to bear the burden of defeat, a burden too great for an impoverished people, in a land devastated and disabled by war." That may be the plight of Italy, but in these statements I think Mr. Berto simplifies too much and does violence to his own story. He does not bear them out by any examination of the war and what went before it in Italy.

The book remains a document illustrating man's inhumanity to man with the war as only a focal point. It is a good thing that such novels should be best-sellers. The more hearts they touch and the more consciences they prick, the better for this guilty world.

Pretty Desperate

By EDWARD EARL

ECHO OF EVIL—by Manuel Komroff—*Clarke, Irwin—$3.00.*

YOU ARE asked to believe that a dully respectable, Mid-Western family—in the United States, of course—can be socially ostracized due to the visit of an aunt just released from a prison cell. As it happened, the aunt murdered her husband for fooling around with fancy women but that has very little to do with the story.

I don't question the probability that a community's attitude might be temporarily affected by the descent of a notorious character from the headlines of 20 years ago. But the entire structure of the novel is founded on the premise that this bedevilled family will find no rest anywhere, as even their own consciences have been affected by the aunt's visit. There is also a rather elaborate Dostoievskian suggestion that the woman brought evil with her and aroused the latent evil in the hearts of community members but this doesn't quite come off.

The conversation is tiresome, involved, and stilted. The aunt also takes dream-world trips with her murdered husband which adds nothing to the story but does convince me that some people must be getting awfully desperate.

Painted by Clare Shrage

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THE BOOKSHELF

A New Tale of Destiny's Red-Head Revivifies The Historical Novel

By JOHN YOCOM

ELIZABETH, CAPTIVE PRINCESS — by Margaret Irwin — *Clarke, Irwin* — $3.00.

THIS historical novel should renew one's faith in the form after the slough it has wallowed in the last few years. Here are no bedchamber panjandrums or minor cuckolds. Nor do the figures who really count merely flit across the stage like extras in walk-on parts. The principals are Elizabeth (legitimate or illegitimate, on how one regarded the status of her mother Nan Bullen) and her half-sister Mary I, during the latter's reign, and they are continuously in the spotlight.

Miss Irwin has made a concise, vivid report of a topsy-turvy period. She avoids a common weakness of historical novels; there is no padding with lengthy descriptions, nor atmosphere details to read like a 16th century steward's inventory. There is no cheap swashbuckling for synthetic "color". It is written in simple, warm and luminous prose. Perhaps more attention to dramatization would have helped the plotting but the characterization is sensibly and strikingly conceived.

For the deep-thinking, warm-hearted Elizabeth it was an unnerving existence with the future resting on an executioner's block. That in turn operated according to a mess of intrigue and treason of which the spirited teen-aged red head had no part. For the elder, morose spinster it was a reign full of religious and political confusion and personal devotion to Catholicism in England to wipe out Old Harry's shame.

Both had ambition, but whereas fear and bitterness dulled Mary's, Elizabeth did not allow her passion (*e.g.*, for Robin Dudley at a clandestine midnight supper party when she was imprisoned in the Tower) stand in the way of hers. Yet, when death certainly seemed ready to snatch her, she reverted to complete womanhood long enough to reflect on that Tower tryst: "If she were to die this May, it was a pity she had not taken Robin Dudley for her lover. It would, after all, have made no odds, except to give sweetness to life before she lost it."

There is also a delicate bit of biographical gossip about Elizabeth; it runs like a fascinating scarlet thread through the novel's texture. ("God, how sick she was after all these years of restraint, of living down the scandal of her love affair at fifteen [with the Lord Admiral, her uncle]!")

But the nucleus of Miss Irwin's appraisal of the wonderful character is no juicy item: "the centre of her being, which remains fixed and constant as the lodestar—her belief in herself as the future Queen of England."

MARGARET IRWIN

Ill With Thinking

In comparison with such a person Mary is bound to lose; not that she possessed any particular misanthropy, although historians have tabbed her "Bloody Mary"—probably more as a label for the turbulent period than for Mary's personality. "Mary was ill with thinking," writes Miss Irwin. "She had shown mercy beyond her reason, and her people had repaid her with black ingratitude. They had struck at her heart, delayed and darkened the hopes of her marriage (to Philip of Spain)."

Jealousy and superstition warped Mary's thinking. "What is it you do to me?" the exasperated Queen once cried to her captive half-sister. "I am not like this with anyone but you. It must be that you are evil, to make me so at odds with my true self." Then Mary's sourness prompted her to blurt: "She is false as Judas—he also had red hair."

But the English common people loved that abused, unbowed red head; they identified their personal hopes for something better and their national aspirations with it. Destiny saw to the rest.

No Trusty Weapon

By AUSTIN CAMPBELL

THE BURNISHED BLADE—by Lawrence Schoonover—*Macmillan*—$3.50.

BEING a well told story of love and adventure in medieval times "The Burnished Blade" provides further proof that modern readers never tire of stories of days when "knights were bold" and fame and fortune lay on the edge of a man's sword.

From Rouen, in the France of 1431 when that city was held by the English, to Trebizon, a city held by the Turks on the Black Sea near the Caucasus mountains, this story flows its blood-drenched way with dramatic incidents normal to the times. The burning of Joan of Arc by the English is the first horror, but this is overmatched by gruesome details of an agonized impalement by the Turks. Perhaps such adventure stories need not have involved plots. This story is so simple that you never feel tempted to glance at the last chapter to see how things end.

While the whole narrative seethes with fights where swords and daggers are used, any special burnished blade is strangely absent. This is odd, too, when the story tells us interesting details of how the hero, in his youth, learned the armorer's art and the making of especially deadly swords.

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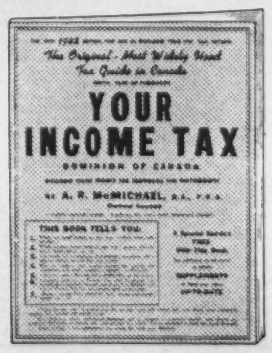

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FILM AND THEATRE

Vogue of the Male Crying-Jag

By MARY LOWREY ROSS

THE movie industry always has something to worry about. If it isn't Robert Mitchum or Robert Walker or Errol Flynn with their various police encounters, or Rita Hayworth's public jaunts with Ali Khan, it's the state of the movies and the growing indifference of movie patrons.

Last week this indifference took the form of lining up four deep in queues half-a-block long for "The Three Musketeers" (third week), "The Paleface" (third week) and "When My Baby Smiles at Me" (third week.) Just what does the Industry mean by indifference? Since we movie-goers are loyal and dependable and don't grudge our pay-envelopes, why should Hollywood behave like a neglected soap-opera wife? After all, it's a pretty fine form of compliment to go on supporting the Industry in style year after year, particularly after some of the things it has done to us.

The worst of these—though I have a considerable list—is its recent habit of exposing us to embarrassing male crying-jags. These crying spells take place, as a rule, after the victims have got themselves dreadfully plastered, but this doesn't make them any more attractive to watch. The male Niobes aren't allowed the privilege of a private cry, either. They have to do it in closeup, and generally in technicolor. Their eyes turn bright scarlet, their noses swell up, their faces go quite out of shape, but the camera continues to hold on and hold on, while self-respecting movie-goers slump in their seats with their hats over their eyes.

Van Heflin had a record crying-spell in "The Three Musketeers." He was Athos, married to the wicked Lady de Winter who had abandoned him to take up a course of intrigue with Cardinal Richelieu. So first he tried to drown his troubles in alcohol and after that he went on to drowning his alcohol in tears. One can't blame Van Heflin of course. If your contract calls for crying, no handkerchiefs allowed, there's nothing to do but march up to the camera lens and cry. It must take a rather special sort of manly heroism though.

Van Heflin's crying spell lasts through only one sequence. In "When My Baby Smiles at Me," however, Dan Dailey has to cry on and off right through the latter half of the film. He's a vaudeville performer married to Betty Grable, as warm, and loyal and loving a little homebody as ever pulled on a pair of tights. But Dan takes to drinking and Betty presently takes to Reno, and after that he is ready to burst into tears if anyone so much as looks at him. In the end he works on her sympathies so heart-breakingly that Betty agrees to take him back and start all over again. What *is* this new angle about tears being a man's weapon?

•

Another thing that has recently put me under considerable strain, though of a different sort is the screen's infatuation with dissembled gadgets as comedy material. There was the baby's collapsible bath which the old Professor and the young husband tried to put together for an interminable sequence in "Apartment for Peggy." Then there was the automatic speech recorder which Rex Harrison tangled with through another fifteen minutes in "Unfaithfully Yours." There's nothing the matter with gadgets as comedy devices. The trouble is that when the struggle goes on too long you develop a bad case of Helper's Itch, the chief symptom of which is an impulse to get up and scream, "No, no, no! Section B fits into Slot 5!" This sort of tension is no help to enjoyment.

• •

Callaghan Première

By LUCY VAN GOGH

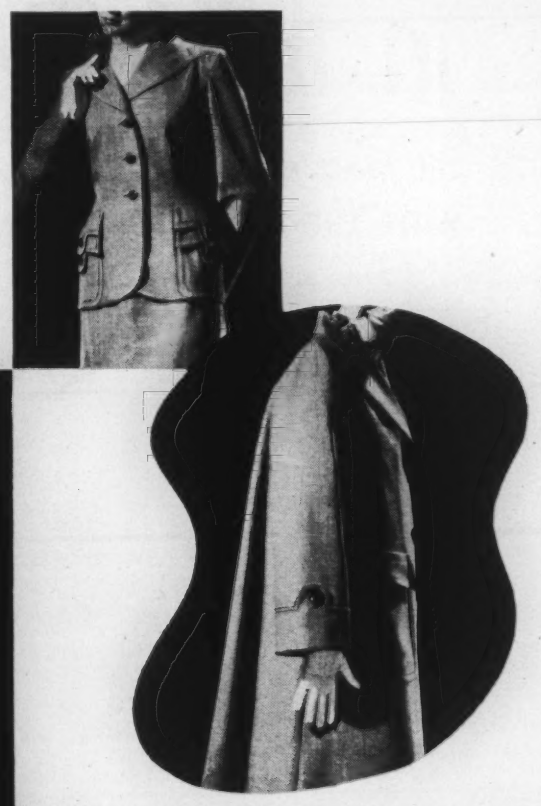
THE first performance of a play by Morley Callaghan, one of Canada's most distinguished novelists, is in any case an important event. When it is a play with a serious thesis seriously stated, and when it is produced with cleverness and loving care by so good an organization as the New Play Society and so keen a producer as James Mavor Moore, it is a major event. This is the event that was happening at the Royal Ontario Museum all last week. The production of "To Tell the Truth" is a major event. It does not follow that "To Tell the Truth" is, in its present form, a successful play. But it is a play that sets one thinking.

Mr. Callaghan's thesis, as I understand it, is that each of us poor human beings is in a real sense not so much the limited and fettered creature which circumstances have made of him, as the much finer and nobler creature which he dreams himself to be—so long as he cherishes his dreams and does not allow them to deteriorate and compromise and become ignoble. So long as we retain our power of dreaming pure and innocent and noble dreams we can be saved no matter how far from those dreams our actual life has moved. Salvation consists in revivifying those dreams and letting them take possession of us as they did when we were young. In this process we can be much aided by contact with other persons who are still in a state of innocence and still following the dreams of their youth; and conversely we can be destroyed by contact with, and spiritual yielding to, persons who have substituted a dream of evil and despair for their natural dream of nobility and hope.

This thesis underlies several of Mr. Callaghan's novels, and something like it may be found in plays and stories by Mr. Saroyan. It is a protest against the widely current view (probably Protestant, not to say Puritan, in origin) that character becomes weak as a result of weak actions, and evil as a result of evil actions, and that each action makes moral recovery more difficult. In the present play Mr. Callaghan shows one "innocent" spirit, that of George the young Canadian veteran, striving for the souls of Uncle Felix the shoemaker and Dini the mistress of the murderer, each of whom has an opposing evil influence in the person of the arrogant blind philosopher for Felix and the murderer for Dini. The struggle over Felix is a sub-plot and symbol or indicator for the main struggle, and the victory is a bit too rapid and easy, not to say miraculous, for plausibility. The suspense of the play, such as it is (and it is not sufficient for effective drama), is in the long-drawn-out wavering of Dini in face of the very practical arguments of her lover. The dream wins in the end, but as in the Book of Job one feels that the events do not prove the thesis and a contrary issue would not disprove it.

The play has two sources of weakness, both of which could probably be greatly mitigated by a working over at the hands of an experienced dramatist. There is too much statement of the thesis in terms of philosophical discussion rather than action. And there is an extravagant amount of machinery required to operate such action as there is. Mr. Callaghan writes with the loose and scattering hand of the novelist, not the economy of the practised playwright. He has twenty-four characters, at least six of whom appear but for a moment, and solely to give George or another leading character something on which to act in order to exhibit some aspect of personality. These personages distract the mind and clutter the action. They are well drawn, but they ought not to be needed. They are well acted, but the better they are acted the more they take our mind off the interaction of George and Dini, which is the essential story. The thesis, meanwhile, requires that George's attitude towards Dini shall be highly platonic, a circumstance which certainly does not add to the excitement.

The twenty-four players who pop in and out of Schultz's "Liberty Diner" in the railway yards district of an eastern U.S. city are all highly competent, and the nine who have more than bit parts are Don Harron as George (and it could hardly be better done), Dianne Foster as Dini, Henry Karpus as Felix, Lawrence Law as his boy nephew, Lloyd Bochner as the murderer, Donald Davis as the blind man, Alfie Scopp as a comic boxer, E. M. Margolese as Schultz, and Beth Lockerbie as the lady whose beat should have been in a better district.



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LONDON LETTER

Socialists' Wage-Curbing Policy Is Ignored In Higher-Pay Scramble

By P.O'D.

London.

MR. MICAWBER would have made a wonderful Socialist. He was always expecting something to turn up. Oliver Twist would have made another. He was always asking for more. So far as Socialism is an attitude of mind, as distinct from a body of economic doctrine, this is one of its most notable characteristics, this happy confidence that you have only to ask and you will get, and that there is always plenty more to be got so long as you go on asking. But of course not all Socialists share this comforting conviction. It is safe to say that Sir Stafford Cripp doesn't.

Last February the government introduced its wage-curbing policy. No one was to get more money. No one was to ask for it. Were the boys impressed by the need of exercising a patriotic self-restraint and making do with what wages they already were getting? Not especially. Since then 6,764,000 workers have received increases totalling £1,625,000 a week.

Now, by way of getting the New Year off to a happy and prosperous start, millions of workers—railwaymen, miners, agricultural workers, bus drivers—are making a whole new series of demands. They probably won't get all they ask for, but, unless the government hardens its heart very surprisingly, they will almost certainly get some of it. They always have.

Not to be left out of this joyous scramble, this universal lucky-dip, the National Federation of Old Age Pension Associations has just put in a demand for £2 a week for everyone at 60. When similar provisions for the sick, the unemployed, and widowed, and widowed mothers had been brought into line, as they would have to be, the cost to the State would be £500 millons or more a year.

"No one can foresee all the effects of attempting to place such an additional burden on our economy," writes the Minister of National Insurance rather plaintively in reply. "I feel sure that neither the general public nor most members of the Associations can appreciate the consequences of what they are asking us to do".

The Minister goes on to give a grim warning.

"We are rapidly approaching the time," he points out, "when every three people of working age in the community will have to support one pensioner, in addition to supporting the children who are our future workers". Makes one think a bit, doesn't it?

However much one may sympathize with the needs of the aged who can no longer work, theirs is a request that is certain to be refused—for two reasons. The money isn't there, and they have no means of enforcing their demand. If they could go on strike . . . , but they have downed tools for good and all. They are out of luck. I'm sorry. I could use that £2 a week myself.

Trouble in Kensington

Campden Hill in Kensington is one of the most dignified and attractive districts of London. It was a favorite and fashionable place of residence in the 17th and 18th centuries, and quite a few of the stately houses of those days still stand in the midst of their gardens—not all occupied, though many of them are. Newton, Swift, and Gray were among the famous residents of the district, and Macaulay died in one of the houses, Holly Lodge.

Closely adjoining are the spacious and lovely grounds of Holland Park, with the splendid Tudor mansion of Holland House, once the centre of wit and learning and beauty and political intrigue in the time of the third Lord Holland and Charles James Fox. Holland House is privately occupied—it is the London residence of the Earl of Ilchester—but occasionally the gardens are thrown open to public inspection. They are famous for their beauty.

In any rational scheme of planning for London, the charm and distinctive character of this attractive area should so far as possible be preserved. The houses, too large for private occupation in these days, could be given over to institutional purposes—King's College for Women is already established there. And the gardens could be made into parks and open spaces. Such indeed is the use designed for the district in the County of London Plan, published in 1943, and officially accepted by all the authorities concerned as being most suitable.

Now suddenly and without warning the London County Council has decided to build there huge blocks of working-class apartments which will entirely destroy the character of the district. There has been a general outburst of indignant protest, and the Kensington Borough Council is preparing to oppose the decision.

But Kensington is a Conservative district, and the L.C.C. is largely a Socialist body. Only a suspicious person would suggest that the proposal is partly due to a desire to score off the Tories by hanging the washing outside their drawing-room windows. But quite a lot of otherwise nice people are rather suspicious nowadays.

Arresting the Sea

Great Britain is surrounded and protected by the "inviolate sea", or so the poets have assured us. But whether it is really inviolate or not, the sea is certainly insatiable, and is forever nibbling away at the coastline. Every now and then another chunk slides off into its hungry maw.

There is no immediate cause for panic. The island will probably be big enough to accommodate most of us for quite a while yet. But coastal erosion is a problem sufficiently serious and pressing to call for concerted action, and a Bill has recently been introduced to deal with it.

Local authorities have neither the powers nor the money to take effective action, and the new Bill proposes to give them both. To a lot of people living by the sea the decision will be a welcome one. There is something rather disturbing about finding that another piece of your garden has been washed away during a stormy night, and that the woodshed perhaps has gone with it.

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3 tablespoons flour
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⅛ teaspoon pepper
½ teaspoon Worcestershire sauce
1 can Del Maiz Brand Cream Style Corn
2 cups diced cooked ham

Melt butter; add minced onion and green pepper; cook over low heat until tender. Add flour; blend; gradually add milk, while stirring. Cook until smooth and thickened. Add seasonings, Worcestershire sauce, corn and ham cubes. Heat through and serve. Serves 4-6.

SOUTHERN CORN PUDDING

1 can Del Maiz Brand Cream Style Corn
4 eggs, slightly beaten
2 tablespoons melted butter
1 teaspoon sugar
1½ teaspoons salt
⅛ teaspoon pepper
¼ cup pimiento, finely diced or chopped
2 cups milk, scalded

Combine ingredients, stirring to blend. Pour into 1½-quart well-oiled casserole. Place in pan of hot water; bake in moderate oven, 325° F., for 1¼ hours, until set. Serves 6.

DOUBLE-RICH CORN SOUP

2 tablespoons butter
3 tablespoons minced onion
½ cup minced celery and leaves
3 tablespoons flour
4 cups milk (1 quart)
1 can Del Maiz Brand Cream Style Corn
2½ teaspoons salt
⅛ teaspoon black pepper
⅛ teaspoon paprika
3 tablespoons minced parsley or chives

Melt butter in saucepan; add onion and celery; cook until tender (about 5 min.). Add flour; blend; gradually add milk. Cook until smooth and thickened, stirring constantly. Stir in corn, seasonings, and minced parsley. Heat and serve. Serves 6.

CARD MONEY

The Economy of Mme. Bégon

By ISABEL LANDELS

THE blast that rattled the shutters sent whirling, icy currents into the room. The woman, writing at the desk drawn close to the hearth, drew her pelisse closer about her shoulders. The candle guttered, its flame dipping and soaring with the draught.

"This cold is soul-killing," wrote Marie-Elisabeth Bégon. "With wood at 20 livres a cord, who can afford to be really warm? Wheat sells for 3 livres, veal 30 livres, and turkeys are 5 livres apiece. Everything else is proportionately high."

These words have a familiar ring today, although they are exactly two hundred years old. The present-day Canadian housewife, coping with inflated costs of living, will be interested to learn that her problem is not at all a new one, for women had the same difficulties in stretching their housekeeping money, back in the days when Canada was a colony of France.

"Living is extraordinarily dear; the price of all necessities is out of sight, and in spite of our reduced budget for every-day expenses, we are spending more than our income."

Private Letters

These are extracts from a very interesting document in our Canadian archives, the correspondence of Madame Bégon, which is found in the Report of the Archivist of the Province of Quebec for 1934-1935. Born in Montreal in 1696, Elisabeth Rocbert married the Chevalier Claude-Michel Bégon, captain of the troops of the Marine in Canada. From 1748 to 1752 she wrote daily letters in the form of a diary, addressed to her son-in-law, Honoré-Michel de Villebois, then commissaire in Louisiana. It is the private nature of these recently-discovered letters that gives them their value today, for they make us realize that these early Canadians were real people with very real problems too.

(An interesting note—the begonia flower was named in honor of the father-in-law of Elisabeth Bégon, a man who held many important colonial posts under the French government).

Money! Money! Money! Today, more than ever, it seems to be a chief topic of conversation. It forms the nerves and sinews, not only of war, but of the aftermaths of war. And today it is counted by the nations in millions and in billions. Millions were practically unknown to our ancestors. But even in the days when currency consisted in beaver skins or in playing cards, money was a source of worry to the inhabitants of Canada.

Coins Into Goblets

Espèces sonnantes, that is, metallic coins, had always been rare in the colony. The few that were put into circulation from time to time disappeared quickly; the colonists eagerly collected them and melted them down to make silver bowls, goblets or jewellery, or simply stored them away against a rainy day. This lack of actual currency frequently necessitated a resort to barter in the exchange of commodities.

In 1684 Louis XIV had sent out the Carignan regiment to Canada, but neglected to send money for the payment of the troops. It was an embarrassing situation for the Intendant, Jacques de Meulles, for the soldiers could hardly be expected to wait for their pay until next summer when the next ships would arrive from France. The Intendant hit upon a novel idea for manufacturing paper money to tide them over. Not having a paper mill or a printing press, de Meulles used the blank backs of playing cards, of which there were plenty in the colony. On the back of the queen of spades, for example, was written *Bon pour la somme de douze livres*, while the ace of diamonds was good for three livres. The Intendant stamped each card with the coat of arms of France, and it carried his signature as well as that of the Governor.

For smaller denominations, the cards were cut into halves and quarters, each worth a certain number of livres, sols or deniers. (Under the French regime in Canada money was counted in these denominations and old French accounts, such as the Jesuit journals, use the signs L, s and d. It is only a coincidence that they should be the same as those which indicate the English pounds, shillings and pence).

This card money was the first paper currency to be introduced into America. A number of specimens have survived and are to be found today in various public and private collections in Canada.

Living on a small pension after the death of her husband in 1748, Elisabeth Bégon was caught in an upward swirl of prices, somewhat similar to that existing today. The increase in the cost of living was a direct result of the War of the Austrian Succession which had lasted from 1744 to 1748. During the war, insurance charges on merchandise from Europe had risen from three per cent to sixty per cent, and the freight from 80 francs a ton to 1000 francs. Then, as a result of the enormous expenses of the war, a tax of three per cent was imposed in 1748 on all imports into Canada.

Agricultural products had increased in price too, for the colonists had been forced to leave their regular work to defend themselves against the enemy. A memoir of the period notes "Butter usually costs 8 to 10 sous a pound; but last year the price rose to 16 sous. A dozen eggs generally cost only 3 sous, but now we pay 5 sous". Even a cord of wood, in a land which was almost all forest, was exorbitantly high.

Near Bonsecours

The cost of firewood was a constant source of worry to Elisabeth Bégon. The winters were hard in Canada. Her father was 83 years old, and she tried to keep him comfortable in spite of the cost.

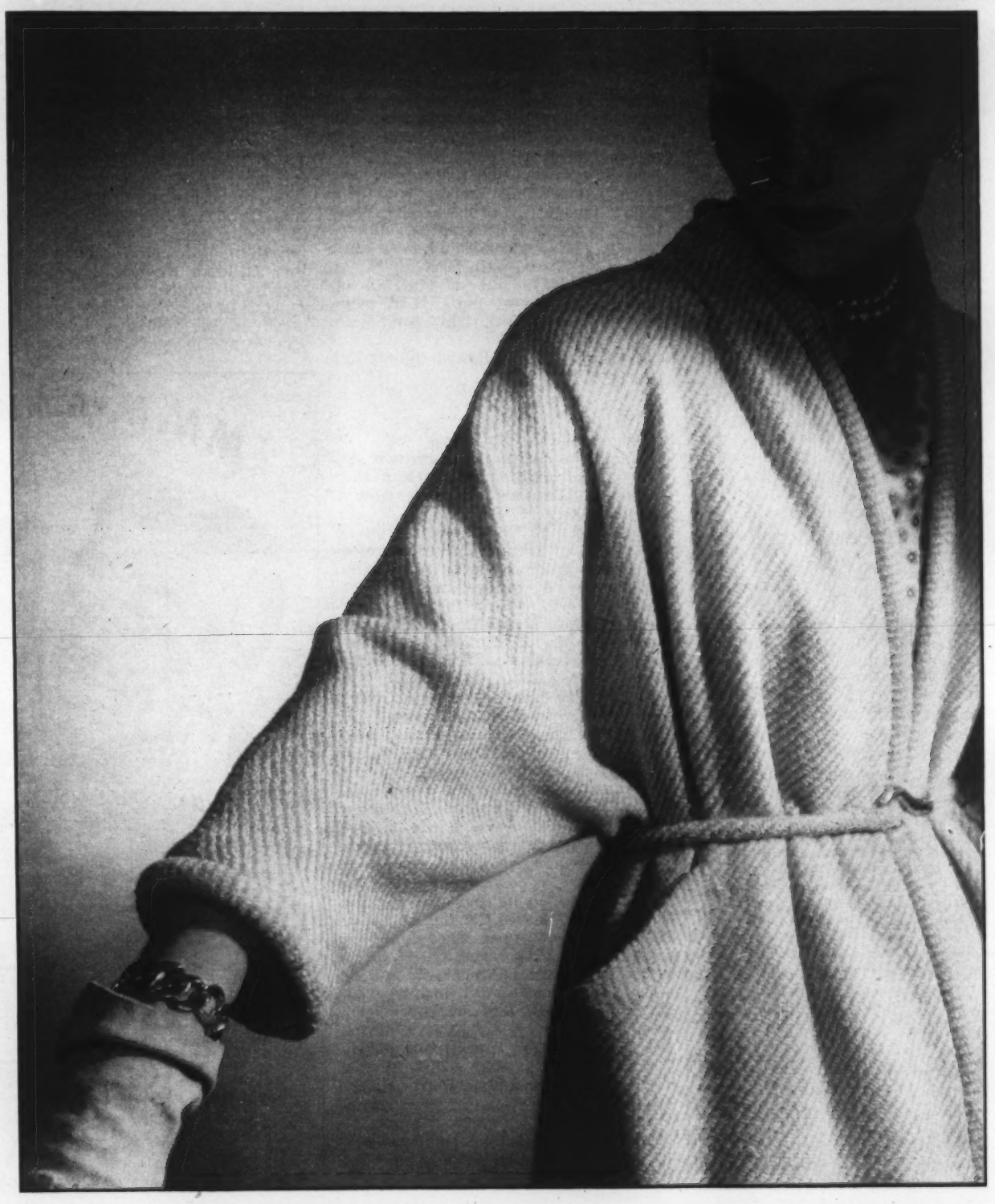
Finally, yielding to the urgings of her husband's relatives in France, she decided to take a tremendous step in an effort to better her financial position—to go to France to live. She disposed of her house on St. Paul Street, near the present Bonsecours Market in Montreal, and took her old father to Rochefort in France.

Her patriotism was too much a part of her very fibre for her to be really happy away from Canada. But what Madame Bégon had not counted on was that living would have risen in cost in France also. She found that it was just as difficult to make ends meet as it had been in Canada. She wrote from Rochefort to her son-in-law in April, 1750.

"It is bitterly cold, even more so than in March. We are heating our house more than we would in Canada, and certainly at more expense. But I prefer to economize what I would spend on clothes and keep warm." And does this next entry in her diary not strike a familiar note today? "I am also much upset at not being able to find another house, for this one costs 550 livres for rent; it annoys me greatly as I am certainly not able to pay that and live at the same time."

However, if Elisabeth Bégon had remained in Canada, she would have seen the cost of the necessities of life rise even more sharply in the next few years. Finally it became difficult to get them at any price. The country was flooded with card money, and the machinations and intrigues of the corrupt Intendant Bigot and his accomplices were keeping the people in ever-increasing misery, while they pretended to help them get food.

Elisabeth Bégon was never to return to her *chère patrie*, where she had played a full and useful role as a pioneer Canadian woman. At least she was spared the knowledge of the colony's economic ruin and its loss by France in 1759. During the last few years of the French regime, the distress of the poor people was very great. Floundering in drifts of worthless paper money, they were unable to exchange it for the barest necessities of life. However, after the capitulation, the British authorities insisted, by a provision in the Treaty of 1763, upon a redemption of this worthless card money by France, a measure which provided great relief and satisfaction to the colonists.



The spotlight is focussed on this coat to reveal the extravagantly underslung line of a sleeve that merges into the waistline. Bracelet and gloves are displayed to advantage by the new length. The coat is from the spring collection of a New York designer.

WORLD OF WOMEN

BERNICE COFFEY, *Editor*

LIMITED EDITION

To Wear Under The Sun

By MADGE MACBETH

YOU know how it is, always wondering what to wear even at home where customs, conditions and climate are familiar. How much more difficult the problem becomes when you consider going to a place where nothing is familiar! And don't be deceived by travel folders and propaganda material announcing that the mean temperature is such and such. Sometimes mean means mean!

The thermometer may not lie, but wind, rain and humidity can make Truth *feel* like an awful whopper.

But getting right down to cases. . . Last winter while one blizzard was gathering its second wind for a worse one, I decided to renew my acquaintance with the sun before we had entirely forgotten each other, and chose for the rendezvous a West Indian island called Tobago. I found it by opening a map, closing my eyes and stabbing the page with a pencil. This method saves a lot of shilly-shallying. Try it, yourself, this year!

The derision that met my request for a sailing convinced me that every steamer was booked tight until Easter Monday after the millenium. Naturally, I didn't want to wait that long, so applied for passsage in a plane. The air was not so crowded, so I set off from New York for Tobago.

We might pause here to remark that recently our own T.C.A. has inaugurated a service between Toronto and the West Indies. This makes our travelling much easier, not only in the matter of money . . . no U.S. dollars needed . . . but of clothing. I can best explain by giving an account of what I did last year.

Taking off in the middle of a crool cold spell, I knew a light summer hat would look ridiculous. A crepe or cotton dress and thin coat would leave a lot of comfort to be desired. So I compromised on the following . . . a dark crepe suit, dark straw hat, sweater, wool scarf, light woollen sports coat and old pair of galoshes. New York had its bitter moments, but by staying indoors as much as possible I reached La Guardia without disaster.

At the door of the plane, I threw away scarf and galoshes, but once inside the freezing interior, I called loudly for a blanket.

"We'll warm up soon," promised the stewardess, handing me a cup of coffee. "You'll be wanting to throw that coat out of the window."

She was right. About an hour after leaving, we began an amusing strip-tease performance. A mother rolled her baby out of three layers of shawls. The elderly gentleman across the aisle did extraordinary tricks with a muffler that streamed through his hands and piled up like a magician's ribbon on the floor. A young woman took off her blouse, disclosing a good deal of body surmounting the top of a sun-suit. By the time we had made our first stop—at San Juan—we had removed that winter look with most of our clothing.

So much for the flight, and the above would apply equally well to a T.C.A. passage. Sailing to the West Indies presents a different set of conditions. You would need a heavy coat, winter hat, wool suit, because for at least two days out of Halifax or Boston—on one of our C.N.R. ships—winter would sail right along with you.

Also, you are allowed plenty of luggage.

Plus Umbrella

On a plane, you may take 66 pounds, plus an umbrella (which you won't need farther south than Bermuda or Jamaica) a book and a shopping bag.

Make it big! No matter if you do feel like an infantryman in heavy marching order, by carrying bottles, jars, shoes, a camera and your papers, you will relieve the other luggage of about 15 pounds. Incidentally, few remedies or make-up materials need embarrass you. Every familiar thing of the kind is available. In fact, you can buy almost anything necessary except ready-made dresses.

You will not want many hats. Most people wear no hat, or one of native weaving. Sun glasses are quite necessary. Cotton or thin rayon dresses are better than linen or crepe. (Laundry is no problem.) Save in the largest hotels, evening gowns are rarely worn. An afternoonish costume is what one wears for dinner, unless it's a party "do." One pair of evening shoes should serve. For the rest, sandals and sport types. Shoes may be bought. Canadian shoes. Or Bata.

You will want at least two bathing suits, and possibly a beach coat. Stockings? Bare legs are more comfortable; and personally I think skirts cooler than slacks, but others disagree. A silk coat is useful for wear after dark and in some islands a light wool is a "must." Nylon underwear, including girdles, cannot be equalled for comfort, but whatever is taken should be the thinnest possible.

Avocados

My own wardrobe for several weeks' stay in Barbados, Grenada, Antigua and probably a few other islands will contain . . . 2 bathing suits, 1 beach coat, 1 sports coat (wool), 1 silk coat for evening dresses of which I shall take two made of chiffon; 1 pair beach shoes, 1 pair sport shoes, and 1 pair each, shoes for afternoon and evening; 3 sun-suits, 5 daytime frocks . . . rayon, chambray, and thin gingham (linen is too hot); 5 afternoon or cocktail frocks; 4 nylon slips; 4 night-dresses, 4 nylon panties, 2 nylon girdles. And I expect all that plus an evening bag, handkerchiefs and bits of jewelry to come within my 66-pound limit! As mentioned, I shall carry "sundries" in my shopping bag, and fill it in the south with avocados, paw-paws, mangoes, coconuts and a few other oddments to appease an appetite that grows alarmingly in the warm sea air.

• •

THE TIPPLER

OLD William wanted when he died
A glass brim-full of amber ale;
He said the bitter taste was like
A ship at sea, a nearing sail.

It brought to mind the seaport towns,
What sights he saw between the spars!
A native girl was just that shade,
Who combed her hair against the stars.

The neutral colors of his bed
Were sunk beneath his giant frame,
Unused to beds he propped his feet,
And said, "My friend, I'm glad you came".

He conjured glasses out of air,
And handed me them both to fill,
He smiled a meaning smile, and said:
"Take care, my friend, it does not spill".

ALFRED W. PURDY

CONCERNING FOOD

Vin du Pays as a Beverage

By MARJORIE THOMPSON FLINT

IN SOME circles it is customary to regard the correct service of wine as an elaborate ritual. This is all very fine if one's domestic arrangements include a cellar "laid down" by a foresighted ancestor, a wine steward (or, at least, a butler), and a vast supply of ringing crystal. The finer aspects of wine appreciation we will leave to the epicures, connoisseurs and Omar Khayyam. These words are intended for the rest of us who operate on a simpler scale, yet esteem the value of wines in lending added distinction to and enjoyment of the food with which they are served.

This treatise on the service of wine with meals is offered in our best high school manner (maybe it isn't that good—it's a long time since those days) and we will summarize it blackboard style. The wines referred to are

• *The marbled ware tea-pot illustrated below is an example of the fine English Pottery made by Thomas Whieldon (active 1740-1780). Photograph by courtesy Royal Ontario Museum.*

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native Canadian wines produced from grapes grown in the Niagara Peninsula.

Classification Of Wines:
1. Appetizer wines.
2. White table wines.
3. Red table wines.
4. Sweet dessert wines.
5. Sparkling wines.

Appetizer Wines:

The important appetizer wines are sherry, vermouth and wine cocktail. Sherry is the most popular of all appetizer wines with its characteristic nutty flavor. It is made either dry, medium-dry, or sweet and ranges from pale to dark amber in color.

Vermouth is wine flavored with herbs and other aromatic substances. It is produced by aging a fine wine and then flavored (a) by steeping the herbs in the wine or (b) by adding an infusion of herbs to the wine. There are two types of vermouth—French type or dry (pale amber in color) and Italian or sweet (dark amber in color). The alcoholic content ranges from 14-17 per cent by volume.

The wine cocktail is a variation of vermouth and is somewhat sweeter and the aromatics are not as pronounced.

The appetizer wines are served cool, in 3 oz. glasses, filled three-fourths full. They are also offered for refreshments during the afternoon and evening, and will keep indefinitely after being opened if kept in a cool place.

White Table Wines:

The white wines are produced by separating the juice from the pulp and skins since the juice even from the darkest grape is nearly always a clear white. The color ranges from pale to deep gold and in flavor from dry and tart to sweet and full-bodied.

They are excellent choice to serve with chicken, fish and seafood and should be served well chilled in glasses holding about 5 to 7 ounces. They are perishable and should be kept under refrigeration once opened and used within two or three days.

Red Table Wines:

All red table wines have tart, tangy flavor and red coloring by virtue of the fact that the grape juice is fermented with the skin of the grape. These wines, which include claret and burgundy, are universally the most widely used mealtime wines. They are low in alcoholic content.

Ruby red in color, the red table wines are chosen usually to accompany meats such as steaks, roasts, game and venison; cereal pastes such as spaghetti; any highly seasoned casserole or main course dish. They are served slightly chilled in the same sized glasses as used for white wines (5-7 oz.). They are perishable and should be kept under refrigeration and used within two to three days.

Dessert Wines:

The sweet, full-bodied wines served with desserts and as refreshment in the afternoon and evening contain a higher sugar content than other wines. Port is an example in this class and its sweetness ranges from 9-14 per cent sugar content by volume. The color range is from pale gold to red and in taste from medium sweet to sweet. These dessert wines are excellent to serve with fruit, cheese and crackers or with any dessert as the classification indicates. The alcoholic content is somewhat higher than the red and white table wines and ranges up to 18 per cent by volume. Dessert wines should be served slightly chilled in glasses holding 2-3 ounces. They will keep indefinitely in a cool place after being opened.

Sparkling Wines:

Sparkling wines are red and white table wines which have been made naturally effervescent by a second fermentation within closed containers or have undergone carbonation. Champagne and sparkling burgundy are the most popular of the sparkling wines since they can be served at any time. They are appropriate to serve for afternoon or evening refreshment; gala occasions such as weddings; as an appetizer or cocktail beverage; with any food, including dessert.

These wines should be served thoroughly chilled in 4 to 5 ounce glasses of the wide-brimmed variety (sherbets or shallow goblets). It is needless to add that sparkling wines should be consumed after the bottle has been opened. If the bottles are corked they should be stored lying on their sides.

Temperature:

The temperatures for serving the wines have been included in each classification and the general rule is to serve wine lightly chilled or at least cooled in the refrigerator two to three hours before serving. The "room temperature" theory doesn't apply to the 70-80° heat at which most homes and apartments are kept in Canada. It is easy to understand why it might apply to a draughty dining hall in some baronial castle of mediaeval days and later.

Wine Glassware:

If you glance back over size of glassware suggested for the use with each classification of wine you will notice that three sizes are all that is necessary for a complete wine service. In fact two would be sufficent if you already possess wide-brimmed sherbet glasses (4 to 5 oz.)

The shape of glass depends upon personal taste and it is entirely up to yourself whether or not you choose stemmed glassware.

Brief Summary:

Glass Number 1—holding 2 to 3 ounces, usually considered a sherry glass, can be used for appetizer and dessert wines.

Glass Number 2—holding 5 to 7 ounces, sometimes called a claret glass, is used for serving either red or white table wines. A water goblet of this size would be suitable for the purpose.

Glass Number 3—a stemmed, wide-brimmed sherbet glass (4-5 oz.) which could also be used for a dessert dish or fruit cocktail.

Generally speaking:

(a) For Informal table service only one wine is served throughout. This applies to informal luncheons and dinners and you could use either red or white table wines.

(b) Formal table service requires different wines for the various courses:

Here is a brief resumé of what you could do with the food and wines:

With hors d'oeuvres — sherry or champagne.

With soup—sherry.

With fish—a white table wine.

With entrée — (chicken, seafood, fish or white meat)—a white table wine, the same variety as served with the fish or a second choice.

(Red meats, venison and game)—a red table wine.

With dessert — a dessert wine or champagne.

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MUSIC

Calgary Collaboration

By JOHN YOCOM

WITH prominent publicity and national reports of arts-in-the news coming out of Montreal, Toronto, Vancouver and other large Canadian centres, it is altogether too easy to overlook the activities of musicians in the smaller cities. Nevertheless, work of a high calibre goes on there too, and the nation's cultural stature is quietly being raised, often without many of us in the metropolitan places hearing about it.

Special mention should be made of the communities that attempt local symphony orchestras. That is the real test. The organizing, staffing and managing of those groups bring special headaches that are never met in the smaller instrumental ensembles nor in choral groups. Try starting a symphony and you will soon find there is nary a French horn player, or a good oboist, or a bassoonist in your town. But three civic projects immediately come to our mind as examples of smaller centre success; the recently formed St. Catharines Symphony Orchestra, the Kitchener-Waterloo Symphony Orchestra and the Mount Royal College Symphony Orchestra at Calgary, Alberta.

The man responsible for the worthwhile venture in Calgary is the gifted concert violinist and conductor Clayton Hare. Since coming to the city three years ago, he has organized a season of five or six concerts each year with soloists such as soprano Frances James, pianist George Haddad, *et al.*, and found a large receptive section of the public that wants more. It is musical endeavors such as Hare's that make Calgary a better place for young people to grow up in.

Besides his fine work in Calgary Clayton Hare is in demand in other parts of Canada as a conductor, violinist, adjudicator and examiner. And from these duties he has picked up as flowery a bunch of press notices as could be found in any Canadian artist's scrapbook!

Within the next few months Hare will conduct the Edmonton Philharmonic Orchestra; he is appearing as soloist with the Saskatoon Symphony (Prof. J. D. Macrae, B. Mus., F.R.C.O., of the University conducting) on Jan. 30; he will adjudicate in various places including Regina and Saskatoon, and examine in Winnipeg for two weeks for the University of Manitoba Music Diploma examinations.

Since this is the sort of routine that Clayton Hare followed in England, the full Canadian schedule is nothing new to him. Before coming to Canada he had appeared as a solo and ensemble player in many parts of England and Scotland and in Austria, Holland, Portugal and Germany. In addition to playing in leading European cities (*e.g.*, with the Boyd Neal Orchestra at the Salzburg Festival), he performed frequently at Oxford and Cambridge Universities. On two occasions he played before King George and Queen Elizabeth.

At present Clayton Hare and his wife, Dorothy Swetman, brilliant pianist, are doing a tour of Eastern Canada, giving joint violin and piano recitals that are distinctive for good individual performances and smooth collaboration. Last week they were entertaining audiences in Shelburne, Yarmouth and Liverpool in Nova Scotia, and in Sussex and Netherwood School, Rothesay, N.B. This is the Hares' third such tour. Last summer they were engaged by the Nova Scotia government to play at the Halifax Summer School and also by Mount Allison University.

No doubt about it, Canada produces first class artists if she will only recognize them.

—Photo by National Film Board

"Which is the longer, the bell or the mouthpiece of the clarinet?" asks Eugene Kash, music director of the National Film Board, at one of his popular Ottawa Children's Concerts. Children have excellent opportunity to examine the instruments at close range on the stage.

Mouth-Organ and Tap

Dark, debonair, impish-looking Larry Adler blew his mouth-organ in Eaton Auditorium's Musical Arts series last week and again demonstrated that he can make Bach's Violin Concerto in A minor sound quite plausible when treated with his phenomenal technique and trick instrument. With him was his usual program partner, the fair, slender dancer Paul Draper, who has wedded ballet movement to expressive tap dancing for a unique eye-and-ear combination of entertainment. With much finger-weaving and hand-cupping Adler played Enesco's Rumanian Rhapsody and Gershwin's Rhapsody in Blue. While there were plenty of limitations (oddly enough, mostly in the Gershwin), he did some fantastic arpeggios, double stops, simulations of orchestral tone colors, themes and counter-themes that pleased the capacity house.

Dead-pan Draper conceives his interpretations of classical music (Handel, Schumann, Bach) in lean ballet phrasing as a framework and then in clean-cut execution fills in that framework with soft taps (16th triplets, for example) to emphasize melodic or rhythmic detail in the score. The result is a very pleasing business.

Edna Phillips, U.S. Soprano, will be T.S.O. "Pop" vocalist on Jan. 28.

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BRAIN-TEASER

Up to Some New Tricks

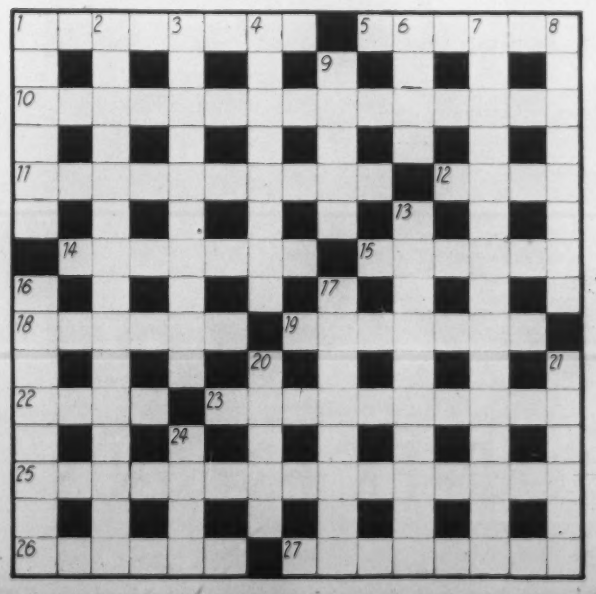
By LOUIS and DOROTHY CRERAR

ACROSS

1. Do they spin over four walls? (8)
5. She, naturally, finds the Rand in South Africa, though a little changed. (6)
10. Staying the course, with X-ray vision, perhaps. (6, 2, 7)
11. Change it on a cliff with painful results. (10)
12. Pass lightly over this. (4)
14. Crosby's after the spider's home. (7)
15. : y (6)
18. When a blend of words will help you. (hidden) (6)
19. No D.D. mixes gin falling asleep. (7)
22. Have you a nose for this? (4)
23. Halve them and you minim-ize their value musically. (5-5)
25. Breeze off in another direction. (1, 5, 2, 3, 4)
26. Made by the most correct people at times. (6)
27. A state of disorder takes a long time to establish communications. (8)

DOWN

1. A lascar turns out to be a rogue. (6)
2. One one. Do you follow? (3, 5, 7)
3. Court bouncer. (6, 4)
4. Type of thing introduced into England by Caxton. (8)
6. Tunes for the woodwind? (4)
7. Oorr nncotthhiinngg. (6, 2, 7)
8. When clean they're matchless. Butt me no butts! (8)
9. Port's going up! (Better stick to 16) (5)
13. A bit stiff at the knees, probably. (6, 4)
16. Sounds as though fruit will help the drink. (8)
17. A tout with a leer in the gambling den. (8)
20. "Oft in the stilly night,
Ere slumber's . . . has bound me". (Moore) (5)
21. But they may be delivered from centre stage. (6)
24. Away off. (4)



Solution to Last Week's Puzzle

ACROSS

1. Countryman
6. Saki
10. Auden
11. Lacerated
12. Torpedo
13. Dresden
14. Bow-tie
15. Nestor
17. Fellow
19. Astute
23. Bath-mat
25. Dredger
26. Santayana
27. Linen
28. Duck
29. Methuselah

DOWN

1. Charts
2. Underdone
3. Tangent
4. Yellowed with age
5. Accidental death
7. Acted
8. Iodine
9. Briefs
16. Octagonal
18. Lammas
20. Trellis
21. Abused
22. Trench
24. Tonic

(38)

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THE OTHER PAGE

Verily We Are the People

By J. E. MIDDLETON

NATURALLY we Canadians regard the manners and customs of foreigners as trivial and foolish, when they are not improper. For we, of course, have come to the peak of civilization. Our manners are a standard towards which other peoples are expected to strive; our customs the norm of Beautiful Living.

Some foreign parents consider the betrothal of a daughter a matter of such importance that they search long and carefully for the right man, and at last say to Hortense or Jacqueline, "We have found him. Be happy."

A lamentable condition. The proper way is to allow our daughters to go out in any company they choose, to mature themselves by trial-and-error, and find, each one, a working partner for life "by guess and by God."

This is a mere sample of our perfection. All our ways, social, economic and political, are indubitably right. Immigrants coming to Canada are expected to correct their outlook and mannerisms and hurry to be like us.

They may be diligent, practised and clever workers. They may be honest in word and deed. They may be charitable and kind. But a strange black bonnet, or a full beard, proves that they are not desirable citizens of this Confederation.

"This is writ sarcastic," as Artemus Ward was wont to explain. And the reason lies in the discovery that the self-congratulatory point of view had an early beginning in Canada. King Louis XIV was not content that the Indians of his Canadian domain should be Christians; he wanted them made-over into Frenchmen. So he gave instructions that a beginning should be made by assembling equal numbers of French and Indian boys, and of French and Indian girls, having them live and be instructed together. So, he thought, the natives would perceive the graces of French civilization and gradually acquire them; no doubt with the proper attitude of thanksgiving for the privilege. These, in turn, would be expected to go back to their tribesfolk and spread the good news that they were all to be proper Frenchmen.

An attempt was made to carry out the Royal Order. Bishop Laval got a group together. The Jesuits, the Ursulines of Quebec, and the Sulpicians of Montreal did likewise. But the results were not encouraging.

It appears, from a letter of Marie de l'Incarnation in 1668, that Intendant Talon had seen a Huron girl who had been taught to read and write and had formed her manners on those of her Ursuline teachers so that no one could be persuaded that she was Indian-born. The Intendant asked her to write a note to the King in French and in Huron so that His Majesty might be made aware of such an extraordinary achievement. So the Royal edict followed in the hope that "little by little the natives might be 'Frenchified' and made into a people of some polish."

"I don't know how all this will end," wrote the Ursuline Superior to an intimate correspondent. "In all the years that we have been established in this country we have been able to civilize not more than seven or eight. The others—in large numbers—have returned to their people; although good Christians. Native life is so alluring, by reason of its freedom, that it would be a miracle if any were captivated by the French way of living. The men pride themselves in not working save as hunters, voyageurs or warriors.

"They take their women and children with them when hunting. These skin and prepare the trophies of the chase, tan the hides, smoke and dry meat and fish, cut all the wood and have full charge of the camp. All the men do is to build the lodges, make children's cradles, the snowshoes, toboggans and canoes. All other work is unworthy of them. The children from birth understand all this. Women and girls manage canoes as well as the men. Judge if it is easy to change all the habits and ways of thinking familiar to them all their lives!"

Perhaps there is a lesson here for those of us who are so wrapped up in our own excellence that we have difficulty in tolerating other races and other cultures. Perhaps newcomers from foreign lands can best be "Canadianized" by giving them a fair deal, and, at the same time by recognizing that their culture is by no means contemptible.

BEFORE THE WORLD WAS

At the request of several readers, we are reprinting the important poem by J. L. Milligan which by a regrettable accident appeared in our issue of December 25 over the signature of another contributor.

WHERE was this rose before the world was made?
And when the bases of the hills were laid
In molten magma, with convulsions vast,
Where in that fiery and chaotic past
Were these cool, graceful trees,
The singing birds,
The murmuring bees,
And yonder herds
Of cattle grazing in the sun and shade?
And where were you and I,
Who in this garden, 'neath a summer sky,
Squander in peace these golden-minted hours?
Where was this rose and all these faerie flowers,—
Where were we all before the world was made?
How came we here?
Who cast the primal seed
From out the void beyond the stratosphere?
Who measured and decreed
The distance of our planet from the sun,
And the ellipse by which the ordered seasons run?

J. L. MILLIGAN

First Blooms will be seen on

SPRING STRAWS

. . . Starch-crisp and country-fresh little hats romp off with this spring's fashion story! Up-before-time flowers nestle 'round the brim, pop up saucily at the back! Shown are two new hats from a selection at **EATON'S**

THE BUSINESS FRONT

P. M. Richards, Financial Editor — SATURDAY NIGHT, TORONTO, CANADA, JANUARY 25, 1949 — *Rodney Grey, Asst. Financial Editor*

Business Funds Are Support Of Boom As Private Savings Decline

By WILLIAM C. HOOD

Canada's capital boom—investment in houses, plants, equipment, roads—is one of the major forces behind our inflation. Who is paying for all this capital expansion? From what group in the economy are the funds coming which support this boom?

Dr. Hood, Lecturer in the Department of Political Economy of the University of Toronto, argues that the main source is business reserves and profits. He points out that private savings have declined over the last four years. There is, however, a tendency to return to the securities market as the source of capital funds.

IN 1947 approximately $2.4 billion was spent by business firms, governments and individuals in Canada for new plant, equipment, machinery, roads, houses, bridges and other capital items. In 1948 this figure may have reached $3.0 billion. Before World War II our capital expenditure figures were considerably less than half of these: Canada is experiencing a capital boom of outstanding proportions.

Who is paying for all of these durable goods? Is it the taxpayer, the business firm, the individual saver, financial institutions such as banks and insurance companies, or foreign lenders? By far the most important single source of the funds used for the purchase of these goods is business firms. They are financing the bulk of their present high purchases of capital goods out of current and past savings.

As can be seen from the table, in 1947 private business firms purchased around fifty-seven per cent of the capital goods produced. Governments, through their own corporations and directly, purchased about twenty per cent, house-buyers accounted for about twenty per cent and institutions of one sort and another bought the remainder. The percentage distribution of the capital goods purchases in 1948 will probably be roughly the same as that in the previous year.

Purchasers of capital equipment must, of course, either pay for it by using up their own savings or by borrowing money from individuals and lending institutions. Governments have one further source of funds: tax receipts. In order to answer our question, it is necessary to discover the extent to which various capital goods purchasers are drawing on their own funds or making use of the funds of others, either in this country or abroad. How are private business firms financing their capital expenditures?

Increased Profits

In the past few years business firms have been able to increase their profits quite substantially. Not all of this money has been paid out to shareholders in dividends; a substantial part of it has been retained by the firms. The Dominion Bureau of Statistics estimates that about $600 million were ploughed back in 1947 alone. Moreover, firms have made depreciation allowances to the full extent permitted by income tax laws. These too represent funds available for capital spending.

The Dominion government in 1944 adopted a policy of encouraging private business in a program of capital expansion, by allowing firms undertaking certain types of capital extension to make larger depreciation charges than usual before computing net profit for income tax purposes. Depreciation allowances totalling around $900 million were made by business firms in Canada in 1947 it is estimated. Thus, in that year, undistributed profits and depreciation allowances totalled $1.5 billion, or more than the capital expenditures of business firms.

But not all of the capital expansion was paid for from these sources. Business did have some recourse to the long term capital fund market by selling bonds and stocks. Net new issues of bonds and stocks by private corporations amounted to roughly $100 million each, or $200 million in all. Thus to some extent firms appealed to those individuals and institutions willing to lend long term funds and buy equities.

Role of Banks

The commercial banks have made their contribution to private business firms not only by purchasing corporation securities, (they increased their holdings of non-government securities by $160 million in 1947) but also by providing assistance in the way of short-term loans. To a degree, short-term loans from commercial banks may be thought of as permitting firms to use their own resources for capital rather than current financing. Bank loans continued to increase steadily from the middle of 1946 until the end of 1947, after which some falling off occurred.

The Bank of Canada has been urging upon the commercial banks a policy of caution in the further extension of loans since the middle of 1947, but apparently has not undertaken any substantial direct action on commercial bank reserves through sale of bonds in the open market.

What about government capital expenditures? Apart from housing, government capital expenditures, both direct and through government-owned companies, have been about equally divided between municipalities and the Dominion. These together account for about fifty per cent of the total of such spending. In 1947 the Dominion government was able to finance all its expenditures out of taxation of one sort and another, and in addition repaid a substantial amount of debt. Provincial and municipal governments on the other hand did some net long term borrowing through the issue of about $50 and $25 million of new bonds, respectively. Government expenditure on capital items was in part financed by firms and individuals who had to pay taxes, and in part by those institutions which purchased the new government bonds.

The one other item of capital expenditure is housing. Who is paying for the building of the new houses in Canada? According to the Central Mortgage and Housing Corporation, financial institutions such as Insurance companies and trust and loan companies actually paid for approximately half of the $500 million spent on house construction in 1947. Individuals contributed a large share of the other $250 million, and government financed the rest.

While individual savers have played some role in the financing of the capital boom, there is reason to suppose that this source of funds is shrinking. The volume of personal savings in Canada, out of which private individuals might finance their own purchases of capital goods such as houses, or aid enterprise by the purchase of securities has been decreasing at a surprising rate in the last three or four years. While in 1944 the savings of individuals amounted to 21 per cent of income after taxes, they amounted to only 6½ per cent in 1947.

An outstanding characteristic of the present expansion is that very little recourse has been had to foreign borrowing. This has not been true of most earlier booms in this country; but this time Canadians are financing the boom themselves.

While we have concentrated on the situation in 1947, since this is the last year for which good figures are available, there are indications that the conditions in 1948 have not been significantly different. There is some tightening of the credit situation. Interest rates are tending upwards gradually, and informed opinion feels that monetary policy is still such as to prevent a more substantial rise. Corporations are showing an increasing tendency to turn to the long term capital market rather than to their own resources for funds. But the broad picture for 1948 will appear to have been very similar to that for 1947: private firms are buying over half (in value terms) of the capital goods and are financing the major portion of their purchases from their own funds. The rest of the purchases are being paid for by financial institutions, taxpayers, and individual savers.

Changes in 1949

What will the situation likely be in 1949? Will there be changes of significance in the financing of capital expenditures? It would seem that the most important development of the coming year will be an increase in the proportion of all capital goods purchased by the government and a decrease in the proportion bought by firms, institutions and individuals.

Already there have been many indications that Canada is accelerating her defence program; there is some reason to expect that such major developments as the trans-Canada highway and the Toronto underground traffic improvement on Yonge St. may be started this year. There is even a slight chance that work will start on the St. Lawrence seaway and power project.

Business itself will likely continue capital spending at a high level, but this level will not be quite so high as in 1948. This shift in the importance of different purchases of capital goods will be reflected in the sources of financing. Increasing government purchases mean that the taxpayer will finance a greater proportion of the capital outlay though a small part of his burden may be shifted to bond purchasers by virtue of a lowering of income taxes if the government does not reduce non-defence expenditures sufficiently to retain a budget surplus. Business will likely turn more to the capital fund market in 1949 than in 1948 to finance its slightly lower capital expenditures.

New Capital Expenditure in Canada, 1947 and 1948

	$ billion 1947	1948
Private business firms	1.38	1.70
Government Corporations	.15	.20
Institutions hospitals, universities, etc.)	.08	.15
Housing	.50	.60
Direct Government (except housing)	.29	.35
TOTAL	2.40	3.00

1947 FIGURES: Department of Reconstruction and Supply, "Private and Public Investment in Canada, Outlook, 1948".
1948 FIGURES: Author's estimates.

GHOST JOB: Here is the Ghost Hillman Minx, made by apprentices in the Rootes Group factories in the United Kingdom at a cost of $25,000. It was designed to show mechanical features of the thoroughly redesigned British car. The plastic surface reveals frame members and engine.

THE BUSINESS ANGLE

A Reshaping Of Trade

By P. M. RICHARDS

DESPITE doleful prophecies of depression from time to time, Canadian business is still doing very well, taken as a whole. Though most of it is now operating at a level below the peak of the boom, that level is a very high one judged by all pre-boom standards. Employment continues high across the country despite local pockets of unemployment caused by loss of British and other markets. Prices have eased somewhat but no big price break is indicated.

A most encouraging development is the recent sharp increase in Canada's exports to the United States. This is an important offset to the serious drop in sales to the United Kingdom and the other Dominions and elsewhere, and has already furnished us with so many badly-needed U.S. dollars that it was possible to relax the restrictions on imports from the U.S. initiated in November, 1947. Developments in connection with the recent big discoveries of iron ore and oil promise new strength to the Canadian economy.

Canadian businessmen would be justified in feeling quite cheerful about the general business outlook were it not for two seriously disturbing factors. One is the threat to the future of international trade (on the maintenance of which Canada's prosperity so largely depends) created by the efforts of many countries to sharply restrict imports while, at the same time, boosting exports. This same effort in the 1930's did much to bring on and deepen the Great Depression. The other adverse factor is the immediate actual loss or curtailment of many important markets in Great Britain, notably those for food. This is a hard blow to Canadian producers who had largely built up their businesses on sales to Britain.

Dislocations

The resulting dislocations are sharp, and adjustment to them will not be easy. An example is Nova Scotia apples. Annapolis Valley producers for many years have sent four-fifths of their production to Britain. Now Britain has cut off this item entirely, and Annapolis Valley in consequence must largely go out of the apple-growing business. British Columbia's apples and canned salmon are similarly hit. Britain is taking less Canadian wheat, beef, poultry, bacon and eggs; less timber, newsprint and other goods. The reason, of course, is Britain's lack of Canadian and U.S. dollars, which is compelling her either to "do without" or to switch all transferable purchases to countries where she can use sterling in payment.

Britain's position is that if she is to avoid national bankruptcy, she must positively get her economy back to a self-sustaining basis by the time Marshall Plan aid concludes in 1952. To this end she is working vigorously to develop new export markets, to turn formerly adverse balances of trade into favorable balances, or at least to reduce unfavorable balances.

Retaliations

She is meeting with some success, but at the cost of antagonizing various countries, including France, which find that products they had counted upon exporting to Britain, such as wines and perfumes, are now classed by that austerity-minded country as luxuries which cannot be afforded. Each injured country, while striving to find new outlets for displaced exports, is retaliating by putting up bars against certain imports. Obviously this is a process in which, when many nations attempt it, everybody loses, including the innocent bystander.

When Canada looks around for food and other markets to replace those now closed to her in Britain, she runs immediately, particularly in the countries of Western Europe, into the barrier to trade created by the universal shortage of dollars. There is plenty of need for Canadian products in Western Europe, but Marshall Plan countries are trying to cut down their spending in the Western Hemisphere. An obvious resource for Canada would be barter, an exchange of goods for goods involving no use of money, and attempts to that end have already been made here. Premier Byron I. Johnson of British Columbia has tried to exchange lumber for British steel, but so far without success. Britain and Western Europe seem inclined to do their bartering with Russia and Yugoslavia and Poland.

It is clear that a major reshaping of world trade is now in process, and that this creates dangers for export-minded Canada. Obviously we cannot afford to be complacent. But our government and our exporters know much more about the background of world trade than they once did, and Canada should be able to do as well as others in any coming battle for exports. After all, Canada has much that the world needs.

Trade Target Now In Range Says U. K. Industrialist

By RODNEY GREY

In an interview with SATURDAY NIGHT, Sir William Rootes chairman of the powerful Rootes Group, outlined the present state of industry and government in Britain. The Marshall Plan he regarded as necessary but not a permanent solution—the British people must "Work or Starve."

"BRITAIN is in a tight corner economically, but she will come through. By 1952 the deficit on current trading account with the dollar area should be reduced to manageable proportions" stated Sir William Rootes in an interview with SATURDAY NIGHT last week.

Sir William Rootes, chairman of the Rootes Group of manufacturers and member of many U.K. government committees, visited Canada to help organize sales of Rootes Group cars in the Dominion. He is at the present Chairman of the British Motor Manufacturers' Association and was, during World War II, chairman of the U.K. War Supply Council. At the end of the war, he was appointed by Winston Churchill to direct rehabilitation of the vital Coventry industrial area, much bombed by the Germans. It is in this area that many of the Rootes factories are concentrated.

Asked his opinion of the British Labor Party government and the problems of industry operating under that government, he stated his firm conviction that a high degree of cooperation existed between business and government leaders. He paid special tribute to Sir Stafford Cripps, economic head of the present government and a "real Houdini." There are two important reasons for the many rules and regulations which hamper industry in Britain—reasons which can be easily understood and appreciated if one remembered the economic and social costs of the war to Britain. The first reason is purely political: the Labor government was elected to give people more of the world's goods for less work — and these promises and socialist philosophy sometimes get in the way of getting on with the tough job of economic rebuilding. The Labor Party is now moving right from its political position when it was elected in 1945, it is sometimes embarrassed and harassed by left-wingers in the party and in the government. But the present aim of the government can be summed up in the poster slogan "Work or Starve."

The second reason is mainly economic and financial: Britain was down and almost out at the end of the war. A terrific amount of factory rebuilding and economic planning was necessary. In this situation "there must be rules and regulations. That is the only way the job can be done."

Steel nationalization, stated Sir William, is, in the "long run, not wise." He pointed out that since 1931 there has been substantial control and assistance of the steel industry by the government. All the present steel nationalization measure would do would be to transfer the shares of certain companies in vital sections of the industry to the government. Steel nationalization might well be the issue in the next election, for it has been forced upon the government by left-wingers within the Labor party. Nationalization of the steel industry does not directly affect industries which are steel users, like the Rootes Group—it has direct application only to the steel-producing industry.

Asked if there was much left of depression attitudes of "making work" among his laboring force, Sir William said that the workers in Britain had now realized that they had to get down to work. "The British public can take and face facts, if the government gives it facts. They are facing up to the present difficulties." They realize that they must "work or starve"—the government has given real leadership by telling the people the truth. It took a while after the war for the British people to see that they had to "get cracking" if they were ever going to have a high standard of living, but they do know it now. Absenteeism in the Rootes factories was down to less than one-half of one per cent.

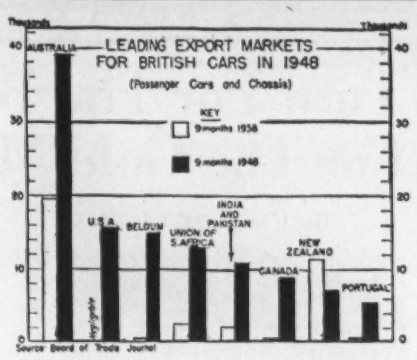
Material Shortages

The chief difficulty, in Sir William's opinion, of the present situation, was not labor shortages but material shortages. The Rootes factories could turn out twenty per cent more goods now with the same labor if they could get extra material. At present, plants were operating at about sixty per cent of total capacity. The real problem then, is to sell sufficient goods to finance a stockpile of raw materials — thus avoiding sudden crippling shortages which rapidly cut into output.

Sir William then outlined what he felt were the chief difficulties facing British firms trying to sell in the Canadian and United States market. They are principally two: trying to produce a product that would sell in North America, and trying to crash a market that they had never been in before. British industrial chiefs, engineers and designers were now seized with the necessity of designing and merchandising a quality product tailored for the overseas market. In the motor industry, for example, the horsepower tax had forced the industry to turn out a small, low horsepower economical car, not modern by North American standards and not particularly suited to the needs of the market.

Now the tax had been changed to a flat rate tax and every firm in the industry was redesigning and re-equipping in order to reach the 75 per cent export target. Substantial sales and service organizations had to be set up in Canada to merchandise the new products.

All sections of British industry realize that they must sell to North America in order to buy the goods they must have from North America. Sir William pointed out that Canadians want to sell to the United Kingdom, but they can only sell there if they buy United Kingdom goods.



The European Recovery Plan and the Canadian loans to Britain were vitally necessary — without them Britain could not have come through, he stated. However, that could not be "a permanent solution. In the long run, a high level of world trade is Britain's only salvation." The British people do not want to go on living by hand-outs. By 1952, he felt, the trading deficit with the dollar area would be substantially reduced, perhaps not to as low a figure as the British government planned, but at least low enough that it could be managed. By 1952 he hoped to see Britain standing on her own feet financially, and as a result, taking a more important place in world affairs.

As for war and defence plans of the United Kingdom, Sir William stated that defence commitments are not cutting into export targets and are not affecting his own industry as yet, though that may happen if the world situation deteriorated. At the present rate of progress, however, it seemed likely that by the end of E.R.P. Britain can be on her own.

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THE BUSINESS FRONT

P. M. Richards, Financial Editor — SATURDAY NIGHT, TORONTO, CANADA, JANUARY 25, 1949 — *Rodney Grey, Asst. Financial Editor*

Business Funds Are Support Of Boom As Private Savings Decline

By WILLIAM C. HOOD

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While we have concentrated on the situation in 1947, since this is the last year for which good figures are available, there are indications that the conditions in 1948 have not been significantly different. There is some tightening of the credit situation. Interest rates are tending upwards gradually, and informed opinion feels that monetary policy is still such as to prevent a more substantial rise. Corporations are showing an increasing tendency to turn to the long term capital market rather than to their own resources for funds. But the broad picture for 1948 will appear to have been very similar to that for 1947: private firms are buying over half (in value terms) of the capital goods and are financing the major portion of their purchases from their own funds. The rest of the purchases are being paid for by financial institutions, taxpayers, and individual savers.

Changes in 1949

What will the situation likely be in 1949? Will there be changes of significance in the financing of capital expenditures? It would seem that the most important development of the coming year will be an increase in the proportion of all capital goods purchased by the government and a decrease in the proportion bought by firms, institutions and individuals.

Already there have been many indications that Canada is accelerating her defence program; there is some reason to expect that such major developments as the trans-Canada highway and the Toronto underground traffic improvement on Yonge St. may be started this year. There is even a slight chance that work will start on the St. Lawrence seaway and power project.

Business itself will likely continue capital spending at a high level, but this level will not be quite so high as in 1948. This shift in the importance of different purchases of capital goods will be reflected in the sources of financing. Increasing government purchases mean that the taxpayer will finance a greater proportion of the capital outlay though a small part of his burden may be shifted to bond purchasers by virtue of a lowering of income taxes if the government does not reduce non-defence expenditures sufficiently to retain a budget surplus. Business will likely turn more to the capital fund market in 1949 than in 1948 to finance its slightly lower capital expenditures.

New Capital Expenditure in Canada, 1947 and 1948

	$ billion 1947	1948
Private business firms	1.38	1.70
Government Corporations	.15	.20
Institutions hospitals, universities, etc.)	.08	.15
Housing	.50	.60
Direct Government (except housing)	.29	.35
TOTAL	2.40	3.00

1947 FIGURES: Department of Reconstruction and Supply, "Private and Public Investment in Canada, Outlook, 1948".
1948 FIGURES: Author's estimates.

GHOST JOB: Here is the Ghost Hillman Minx, made by apprentices in the Rootes Group factories in the United Kingdom at a cost of $25,000. It was designed to show mechanical features of the thoroughly redesigned British car. The plastic surface reveals frame members and engine.

THE BUSINESS ANGLE

A Reshaping Of Trade

By P. M. RICHARDS

DESPITE doleful prophecies of depression from time to time, Canadian business is still doing very well, taken as a whole. Though most of it is now operating at a level below the peak of the boom, that level is a very high one judged by all pre-boom standards. Employment continues high across the country despite local pockets of unemployment caused by loss of British and other markets. Prices have eased somewhat but no big price break is indicated.

A most encouraging development is the recent sharp increase in Canada's exports to the United States. This is an important offset to the serious drop in sales to the United Kingdom and the other Dominions and elsewhere, and has already furnished us with so many badly-needed U.S. dollars that it was possible to relax the restrictions on imports from the U.S. initiated in November, 1947. Developments in connection with the recent big discoveries of iron ore and oil promise new strength to the Canadian economy.

Canadian businessmen would be justified in feeling quite cheerful about the general business outlook were it not for two seriously disturbing factors. One is the threat to the future of international trade (on the maintenance of which Canada's prosperity so largely depends) created by the efforts of many countries to sharply restrict imports while, at the same time, boosting exports. This same effort in the 1930's did much to bring on and deepen the Great Depression. The other adverse factor is the immediate actual loss or curtailment of many important markets in Great Britain, notably those for food. This is a hard blow to Canadian producers who had largely built up their businesses on sales to Britain.

Dislocations

The resulting dislocations are sharp, and adjustment to them will not be easy. An example is Nova Scotia apples. Annapolis Valley producers for many years have sent four-fifths of their production to Britain. Now Britain has cut off this item entirely, and Annapolis Valley in consequence must largely go out of the apple-growing business. British Columbia's apples and canned salmon are similarly hit. Britain is taking less Canadian wheat, beef, poultry, bacon and eggs; less timber, newsprint and other goods. The reason, of course, is Britain's lack of Canadian and U.S. dollars, which is compelling her either to "do without" or to switch all transferable purchases to countries where she can use sterling in payment.

Britain's position is that if she is to avoid national bankruptcy, she must positively get her economy back to a self-sustaining basis by the time Marshall Plan aid concludes in 1952. To this end she is working vigorously to develop new export markets, to turn formerly adverse balances of trade into favorable balances, or at least to reduce unfavorable balances.

Retaliations

She is meeting with some success, but at the cost of antagonizing various countries, including France, which find that products they had counted upon exporting to Britain, such as wines and perfumes, are now classed by that austerity-minded country as luxuries which cannot be afforded. Each injured country, while striving to find new outlets for displaced exports, is retaliating by putting up bars against certain imports. Obviously this is a process in which when many nations attempt it, everybody loses, including the innocent bystander.

When Canada looks around for food and other markets to replace those now closed to her in Britain she runs immediately, particularly in the countries of Western Europe, into the barrier to trade created by the universal shortage of dollars. There is plenty of need for Canadian products in Western Europe, but Marshall Plan countries are trying to cut down their spending in the Western Hemisphere. An obvious resource for Canada would be barter, an exchange of goods for goods involving no use of money, and attempts to that end have already been made here. Premier Byron I. Johnson of British Columbia has tried to exchange lumber for British steel, but so far without success. Britain and Western Europe seem inclined to do their bartering with Russia and Yugoslavia and Poland.

It is clear that a major reshaping of world trade is now in process, and that this creates dangers for export-minded Canada. Obviously we cannot afford to be complacent. But our government and our exporters know much more about the background of world trade than they once did, and Canada should be able to do as well as others in any coming battle for exports. After all, Canada has much that the world needs.

Trade Target Now In Range Says U.K. Industrialist

By RODNEY GREY

In an interview with SATURDAY NIGHT, Sir William Rootes chairman of the powerful Rootes Group, outlined the present state of industry and government in Britain. The Marshall Plan he regarded as necessary but not a permanent solution—the British people must "Work or Starve."

BRITAIN is in a tight corner economically, but she will come through. By 1952 the deficit on current trading account with the dollar area should be reduced to manageable proportions" stated Sir William Rootes in an interview with SATURDAY NIGHT last week.

Sir William Rootes, chairman of the Rootes Group of manufacturers and member of many U.K. government committees, visited Canada to help organize sales of Rootes Group cars in the Dominion. He is at the present Chairman of the British Motor Manufacturers' Association and was, during World War II, chairman of the U.K. War Supply Council. At the end of the war, he was appointed by Winston Churchill to direct rehabilitation of the vital Coventry industrial area, much bombed by the Germans. It is in this area that many of the Rootes factories are concentrated.

Asked his opinion of the British Labor Party government and the problems of industry operating under that government, he stated his firm conviction that a high degree of co-operation existed between business and government leaders. He paid special tribute to Sir Stafford Cripps, economic head of the present government and a "real Houdini." There are two important reasons for the many rules and regulations which hamper industry in Britain—reasons which can be easily understood and appreciated if one remembered the economic and social costs of the war to Britain. The first reason is purely political: the Labor government was elected to give people more of the world's goods for less work — and these promises and socialist philosophy sometimes get in the way of getting on with the tough job of economic rebuilding. The Labor Party is now moving right from its political position when it was elected in 1945, it is sometimes embarrassed and harassed by left-wingers in the party and in the government. But the present aim of the government can be summed up in the poster slogan "Work or Starve."

The second reason is mainly economic and financial: Britain was down and almost out at the end of the war. A terrific amount of factory rebuilding and economic planning was necessary. In this situation "there must be rules and regulations. That is the only way the job can be done."

Steel nationalization, stated Sir William, is, in the "long run, not wise." He pointed out that since 1931 there has been substantial control and assistance of the steel industry by the government. All the present steel nationalization measure would do would be to transfer the shares of certain companies in vital sections of the industry to the government. Steel nationalization might well be the issue in the next election, for it has been forced upon the government by left-wingers within the Labor party. Nationalization of the steel industry does not directly affect industries which are steel users, like the Rootes Group—it has direct application only to the steel-producing industry.

Asked if there was much left of depression attitudes of "making work" among his laboring force, Sir William said that the workers in Britain had now realized that they had to get down to work. "The British public can take and face facts, if the government gives it facts. They are facing up to the present difficulties." They realize that they must "work or starve"—the government has given real leadership by telling the people the truth. It took a while after the war for the British people to see that they had to "get cracking" if they were ever going to have a high standard of living, but they do know it now. Absenteeism in the Rootes factories was down to less than one-half of one per cent.

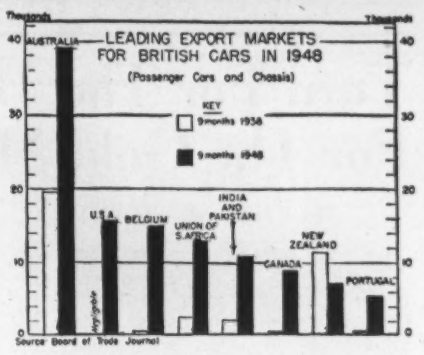
Material Shortages

The chief difficulty, in Sir William's opinion, of the present situation, was not labor shortages but material shortages. The Rootes factories could turn out twenty per cent more goods now with the same labor if they could get extra material. At present, plants were operating at about sixty per cent of total capacity. The real problem then, is to sell sufficient goods to finance a stockpile of raw materials — thus avoiding sudden crippling shortages which rapidly cut into output.

Sir William then outlined what he felt were the chief difficulties facing British firms trying to sell in the Canadian and United States market. They are principally two: trying to produce a product that would sell in North America, and trying to crash a market that they had never been in before. British industrial chiefs, engineers and designers were now seized with the necessity of designing and merchandising a quality product tailored for the overseas market. In the motor industry, for example, the horsepower tax had forced the industry to turn out a small, low horsepower economical car, not modern by North American standards and not particularly suited to the needs of the market.

Now the tax had been changed to a flat rate tax and every firm in the industry was redesigning and re-equipping in order to reach the 75 per cent export target. Substantial sales and service organizations had to be set up in Canada to merchandise the new products.

All sections of British industry realize that they must sell to North America in order to buy the goods they must have from North America. Sir William pointed out that Canadians want to sell to the United Kingdom, but they can only sell there if they buy United Kingdom goods.



The European Recovery Plan and the Canadian loans to Britain were vitally necessary — without them Britain could not have come through, he stated. However, that could not be "a permanent solution. In the long run, a high level of world trade is Britain's only salvation." The British people do not want to go on living by hand-outs. By 1952, he felt, the trading deficit with the dollar area would be substantially reduced, perhaps not to as low a figure as the British government planned, but at least low enough that it could be managed. By 1952 he hoped to see Britain standing on her own feet financially, and as a result, taking a more important place in world affairs.

As for war and defence plans of the United Kingdom, Sir William stated that defence commitments are not cutting into export targets and are not affecting his own industry as yet, though that may happen if the world situation deteriorated. At the present rate of progress, however, it seemed likely that by the end of E.R.P. Britain can be on her own.

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NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st January 1949 and that the same will be payable at the Bank and its Branches on and after TUESDAY, the FIRST day of FEBRUARY 1949, to Shareholders of record at the close of business on 31st December 1948. The Transfer Books will not be closed.

By Order of the Board.

JAMES STEWART,
General Manager.

Toronto, 17th December 1948.

ALUMINIUM LIMITED

DIVIDEND NOTICE

On January 12th 1949, a quarterly dividend of Fifty cents per share in Canadian currency was declared on the no par value Shares of this Company payable March 4th, 1949, to shareholders of record at the close of business February 4th, 1949.

Montreal
January 12th, 1949

J. A. DULLEA
Secretary

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NOTICE is hereby given that a dividend of twenty-five cents per share upon the paid-up capital stock of this Bank has been declared for the current quarter and will be payable at the Bank and its branches on and after Tuesday, the first day of March next, to shareholders of record at the close of business on the 31st day of January, 1949.

By order of the Board.

JAMES MUIR
General Manager.

Montreal, Que., January 11, 1949.

BANK OF MONTREAL

ESTABLISHED 1817

DIVIDEND NO. 343

NOTICE is hereby given that a DIVIDEND of TWENTY CENTS per share upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after TUESDAY the FIRST day of MARCH next, to Shareholders of record at close of business on 31st January, 1949.

By Order of the Board.

GORDON R. BALL,
General Manager.

Montreal, 11th January, 1949.

NEWS OF THE MINES

Turn For The Better Is In Sight For The Gold Mining Industry

By JOHN M. GRANT

AS the new year gets underway one finds a lot of interest displayed in the 1949 prospects for Canada's mining industry, which last year enjoyed what was easily the best year in its history, with higher market prices, except in the case of gold, accounting for the big gain in dollar value of the 1948 production. Gold stocks, however, also suffered another unfavorable period in trading on the stock exchanges, and before endeavoring to estimate the outlook for the current 12 months it might be well to briefly refer to some of the background of the 1948 trends. A preliminary estimate of the value of the Dominion's mineral production was given in this column last week, and a review of the trading on the Toronto Stock Exchange finds that the index for the base metal group advanced 16.39 points, while the gold index was down 12.63 points, and western oils climbed 22.77 points. As indicated by the indices the oils had an excellent year marketwise, the base metals a fairly good one, while the golds—the only group to register a decline—continued to lose ground, although the prospects appeared better near the close of the year when evidences of a recovery followed United States interest in the senior issues.

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Volume of trading on the Toronto Stock Exchange was considerably under that of the preceding year, shares of all groups traded in amounting to 250,781,888 as compared with 318,984,816 in the preceding year, while value of shares traded was $438,815,573 against $464,327,216 in 1947. The lowered value of mining share trading is believed to have provided nearly all the decline for the 12 months, with golds contributing more than their share. Public participation in the base metal shares was not as great as might have been expected as such producers experienced a highly profitable year because of record prices. Consolidated Mining and Smelting was outstanding with a price appreciation at the close of the year of $25.75. Hudson Bay showed an advance of $9.25 in the 12 months, Noranda finished $5.25 above a year previous and International Nickel was $2 higher. In the senior gold issues Hollinger Consolidated was the only one to finish the year with a gain, being up 63 cents from the close of 1947. Some interest was evidenced in uranium prospects, but it is apparent the public still has much to learn regarding the profit possibilities in these companies.

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The 20 most active mining stocks in 1948 on the Toronto Exchange were Eldona Gold Mines, Nicholson Mines, New Norzone, Base Metals, Kirkland Golden Gate, Duvay, International Uranium, Piccadilly, Dulama, Omnitrans, Sherritt Gordon, Silanco, Louvicourt, Pen-Rey, Ashley, Beaulieu, MacDonald, Athona, Senator-Rouyn and Discovery. Trading ranged all the way from 12,872,006 shares in Eldona to 1,860,950 in Discovery. The first mentioned four stocks all had trading in excess of 5,000,000 shares, and the next six more than 3,000,000 shares. Of the 20 stocks only six ended the year with a plus sign. These were Nicholson, Base Metals, Duvay, International Uranium, Dulama and Athona. Nicholson which has acquired a promising uranium property ranged in trading from a low of four cents to a high of $1.32.

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As regards the outlook for 1949, gold mining stocks should show a relatively better performance than for some time past, and it is reasonable to assume there will be a further increase in gold production this year, in fact, it is possible the industry has turned the corner. It is true that prospecting and development has continued to fall behind, there being for instance, a decline of more than 25 per cent in the number of claims recorded in 1948 as compared with the previous year. A number of gold prospects, some with development well advanced, suspended operations when it was impossible to continue due to the high costs of supplies and labor. As far as the market is concerned the strength late in 1948 was attributed to American interest, and there are those who believe the gold stocks are ready to stage a comeback, but from present indications this will not be fast. The Emergency Gold Mining Assistance Act will continue to be of vital importance, the labor situation has greatly improved, and the expansion in output from the postwar depression, although still not pronounced, is likely to continue during the current 12 months.

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Another two years have been added to the period in which the government will guarantee a floor price for uranium, with a view to encouraging private prospecting that has already made "several discoveries which appear to be important", Hon. C. D. Howe, Minister of Trade and Commerce, announces. This means that prospectors can be assured of set prices for any uranium ores and concentrates they locate up to March 31, 1955. Formerly the period extended to 1953. The floor price for the atomic ingredient was first announced early this year. The original terms have not been changed. The government-owned Eldorado Mining and Refining Ltd. will purchase acceptable ores and concentrates with a minimum uranium content equivalent to 10 per cent by weight of uranium oxide (U308). The Crown company will pay a minimum of $2.75 a pound of contained uranium oxide, fob rail. Mr. Howe points out that since the announcement of a floor price, prospectors and mining companies have been very active and have made several discoveries which appear to be important. However, because of winter conditions and transportation difficulties, the men responsible for discovery of the ore bodies will encounter unavoidable delays in developing the new properties.

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The production figures of Ontario gold mines for November show a continuation of the rising trend in output and value which has been discernible for some months now, and bullion output value for the first

SIGNPOSTS FOR BUSINESS

CANADA'S UNFAVORABLE TRADE BALANCE with the United States in 1948—already substantially cut from 1947—was whittled slightly lower in November when foreign and domestic exports to that country exceeded Canadian purchases by approximately $1,500,000 to reduce the debit figure from $275,400,000 at the end of October to $273,700,000. This compares with an adverse balance of $884,200,000 at the end of November, 1947, according to the Dominion Bureau of Statistics.

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Department store sales increased 12 per cent during the week ending January 8 as compared with the corresponding week a year earlier. (D.B.S.)

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Non-agricultural employment in Canada increased about 75,000 from the first week of September to the week ending November 20, while, as a result of the seasonal decline in farm activity, employment in agriculture fell about 260,000. Unemployment reached 106,000, about 40,000 higher than in early September. Total labor force dropped below 5,000,000 for the first time since February 1948. (D.B.S.)

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The index number of farm prices of agricultural products moved downward in November for the third successive month. Lower prices for some livestock and grain products largely accounted for a two point drop in the index. (D.B.S.)

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Carloadings on Canadian railways for the week ending January 8 totalled 67,547 as against 74,300 cars in the corresponding week in 1948, a decline of 9.1 per cent. Declines were sizeable in livestock, grain products, fresh vegetables and lumber shipments. (D.B.S.)

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Production of steel ingots and castings in November was below the level of the preceding month but was above that for November 1947. A similar trend was shown for ferro-alloys, while pig iron showed a decline in both comparisons. (D.B.S.)

Stocks of meat in cold storage on January 1 amounted to 50,754,000 pounds as compared with 45,311,000 on December 1, and 74,152,000 on the corresponding date last year.

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Foreign vehicles entering Canada on traveller's vehicle permits totalled $1,324,000 in 1948, a new record for this type of traffic and 10 per cent higher than the previous high mark established in 1947. (D.B.S.)

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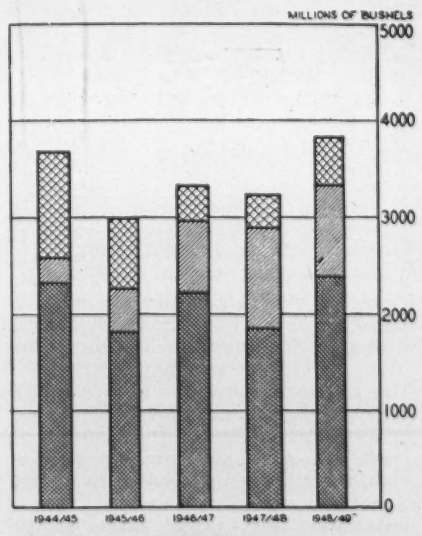
Industrial employment and payrolls both reached record levels at the beginning of November, according to reports from 19,488 establishments in the eight major industrial divisions. (D.B.S.)



World wheat supplies are shown above. The open cross-hatching at the top of the bars indicates old stocks held by the chief wheat exporting countries. The diagnoal ruling in the middle shows production for export of the chief exporting countries; the close cross-hatching at the bottom of the bars shows production in other countries.

Bank of Canada Statistical Summary

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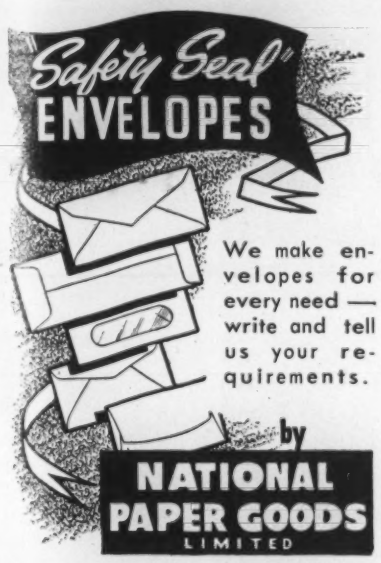
11 months of 1948 amounted to $65,283,405 against $61,292,358 for the same period of 1947, according to the Ontario Department of Mines Gold Bulletin. November production was valued at $6,192,282. The number of wage-earners reached the highest figure since January, 1947, at which time the Ontario Department of Mines started collecting labor statistics on the monthly basis for the industry. It was reported 13,060 men were employed by the gold mines in November. Daily average statistics point to a six year high in the tonnage milled, a five year high in gold recovery and value, whereas silver recovered is the lowest since January, 1948.



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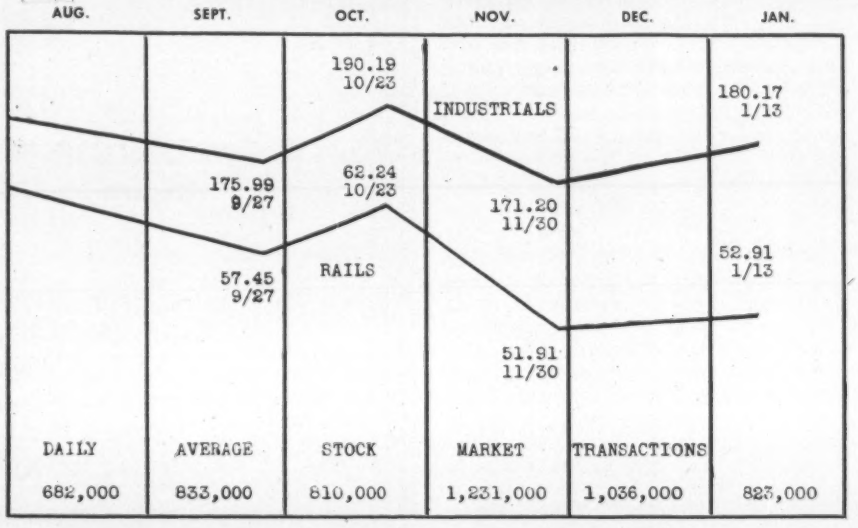
STOCK MARKET OUTLOOK

By Haruspex

COMMON stocks continue favorably priced from the earnings and yield standpoint, but remain under pressure from investor fears as to the business outlook and possible adverse U.S.A. legislation. Barring war, and assuming as we do, no business collapse, market weakness should give way, in due course, to better markets during the year 1949.

President Truman's several messages to Congress have disclosed the American Administration's legislative program. Main considerations from the market standpoint are two. First, the President failed to urge, as some had felt would be the case, an excess profits tax on business. Second, the American budget indicates that, in the absence of increased corporate taxes there will be a cash deficit for the calendar year 1949 of some half billion dollars compared with a cash surplus in 1948 of over $8 billion, a cash surplus in 1947 of nearly $6 billion. This deficit will begin after the first quarter of 1949 due to the heavy income tax collections over the first three months of the year. Even though taxes are raised by the anticipated sum of around $2 billion, this change in the nature of the flow of government money, as compared with 1948 and 1947, raises the possibility that the boom could be revived later in the year

DOW-JONES STOCK AVERAGES



DAILY	AVERAGE	STOCK	MARKET	TRANSACTIONS	
682,000	833,000	810,000	1,231,000	1,036,000	823,000

BUSINESS BRIEFS

JAMES RICHARDSON AND SONS have published Edition Number Three of their "Western Canadian Oil". This is a well-put-together story of facts and figures about oil and western Canada. It opens with a survey of world oil, of reserves and of needs expected in the next few years, and then places western Canadian production and possibilities in the general picture. Then follows a detailed discussion of each of the western fields, accompanied by a series of well-executed charts and maps. The concluding section is a survey of oil companies. A great deal of data is provided about the properties owned by each company, or in which the company has an interest. Capitalization and movements of prices for each company's stock are neatly summarized. This is a useful and well-organized handbook, particularly valuable at a period when western oil activity is at an all-time high.

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SIX CANADIAN corporation annual reports are included in the exhibition of 100 best corporation annual reports of 1947 which are now on display in the Hallam room of the Toronto Public Reference Library. The reports were selected by the *Financial World* of New York. The reports have attracted the attention of many advertising and public relations men. The reports cover banking, insurance, mining and practically every other industry.

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NEVILLE H. EVELY, C.L.U., of the Prudential Assurance Co. of England, has been elected chairman of the Toronto Chapter of the Institute of Chartered Life Underwriters of Canada. He succeeds A. C. Dand, C.L.U., of the Travelers' Insurance Co. Also elected were vice-chairman, E. Elliot Trent, C.L.U., of the Crown Life Insurance Co.; secretary, Harold A. Mills, C.L.U., of the Monarch Life Assurance Co.; treasurer, M. L. Levy, C.L.U., of the Imperial Life Assurance Company, and to the executive, Howard J. Crofts, C.L.U., of the London Life Insurance Co.; Gordon E. Thomas, C.L.U., of the Great West Life Assurance Co.

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APPOINTMENT of J. L. T. Martin as secretary of the Shawinigan Water and Power Co. and Matthew Balls as assistant vice-president is announced by James Wilson, president. Mr. Martin succeeds H. G. Budden, secretary since 1937, who is retiring under the company's pension plan. Mr. Balls will continue to direct operations of the water resources department, of which he has been manager since 1941.

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IN A YEAR-END statement, W. A. Mather, president of the Canadian Pacific Railway Company, stated that:

"Rapidly mounting railway wage and material costs, with only partial compensation to cover these higher charges from the freight rate increase of March 1948, have placed the company in a critical financial position.

"On the one hand, gross earnings for the Canadian Pacific in 1948 will reach an all-time high. On the other, working expenses have climbed so rapidly that net earnings of the company will be at one of the lowest levels in years.

"The contrast between record gross and declining net earnings places the company in a precarious position in Canadian economy. The demand for its railway services to carry the expanding industrial output of the nation and to service Canada's foreign trade commitments calls for financial stability of the highest order. Therefore, to meet rapidly rising operating expenses, and to construct sorely needed new equipment, adequate rate revenues are urgently needed."

A financial summary shows that while gross earnings in 1948 have increased $27,294,371 from January to October 31, working expenses have climbed even faster at $31,621,762, resulting in net earnings showing a decrease for the period of $4,327,391.

•

THE appointment of W. H. Armitage, C.L.U., as branch manager at Grand Rapids, Michigan was one of three announced by North American Life recently. Mr. Armitage has been succeeded by N. R. Beaudin, formerly district manager at Hull, Quebec. H. C. Martens, has been appointed city manager at Grand Rapids.

•

THE directors of Barclays Bank (Dominion, Colonial and Overseas) report that after payment of all charges and after providing for taxation and after deducting transfers to inner reserves, out of which reserves provision has been made for diminution in value of assets, the net profit for the year ending September 30, 1948, amounted to the sum of £649,873 18*s.* 4*d.*, to which has to be added the sum of £176,452 2*s.* 11*d.* brought forward from September 30, 1947, making a total of £826,326 1*s.* 3*d.* After making the appropriations to reserve funds the directors recommended a final dividend of 4 per cent (actual) on the "A" stock and on the "B" shares, leaving a balance to be carried forward of £181,980 1*s.* 3*d.*

The directors noted with regret, the death of Sir Bernard H. Bourdillon, G.C.M.G., K.B.E. They announced that H. R. Bradfield has retired from the board.

•

COMPLETION of the first phase of the construction program of John Labatt Limited, chiefly modernization of the Toronto plant including construction of a retail store and a modern truck-fleet garage, is announced in the annual report to shareholders for the fiscal year ending September 30. The company will now proceed with the balance of the program estimated at $2,300,000 over the next year or two. Major items are additional fermenting and storage capacity as well as a new bottling unit for the London plant. Capital expenditures on the Toronto plant were in excess of $1 million.

Earnings per share were $1.92 compared with $2.16 for the 12-month period ending September 30th, 1947. At year end, earned surplus stood at $6,075,213, up from $5,862,307 and fixed assets, (at cost) had risen to $8,010,193 from $6,610,582. Taxes per dollar of sales dropped to 46 cents from 49 cents.

Including the transfer of $1 million from earned surplus, depreciation and replacement reserves rose to $5,245,525 from $4,027,435. After eliminating the wartime inventory reserve of $516,433, (released to surplus account) and allowing for expenditures involved in the construction program, working capital stood at $2,124,216 from $2,882,993. Dividend payments totalled $900,000 for the year.

The steady rise in production, sales and distribution costs during the year is summarized by general manager Hugh A. Mackenzie in his report. Offsetting price adjustments did not take effect in Ontario until midsummer.

Nine Consecutive Surpluses

For the year ended October 31st, 1948, the Province of New Brunswick recorded a surplus on ordinary account of $2,032,418. This is the ninth consecutive surplus and the combined total for the nine years amounted to $15,556,340.

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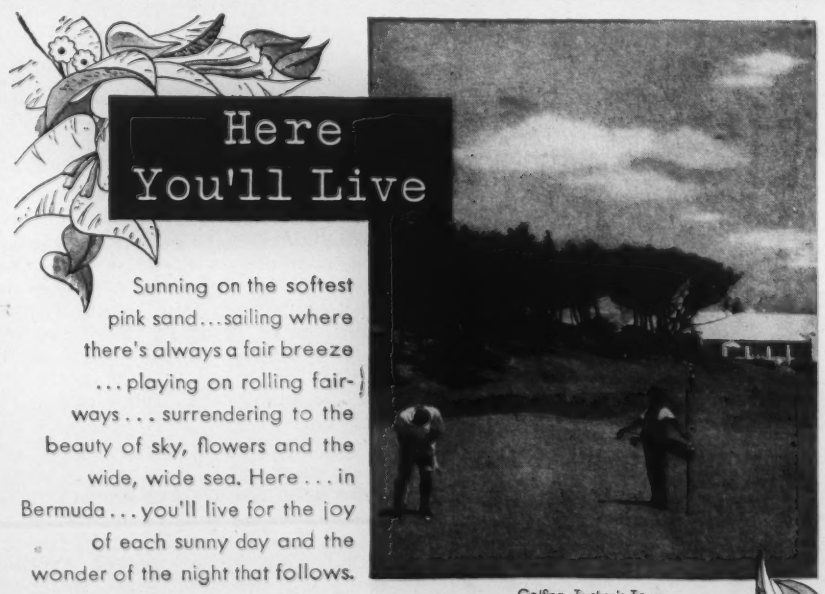
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ABOUT INSURANCE

"Good Housekeeping" Important In Homes And Business Places

By GEORGE GILBERT

It is difficult to over-emphasize the important part which care and cleanliness can perform in bringing about a worthwhile reduction in the terrific yearly waste of life and property which takes place in this country, of which at least 85 per cent could be prevented by taking ordinary precautions.

Accordingly, the lesson of care and cleanliness is one which cannot be brought home too strongly in this connection. It may seem a small detail, but it is one which if overlooked may cause the hazard responsible for starting a conflagration with heavy loss of life and property.

WHILE it is not possible to determine how much of the terrific waste of life and property from fire taking place yearly in Canada is directly due to lack of proper housekeeping methods on the part of occupants of homes and business premises, newspaper readers are often shocked when they learn of heavy loss of life in a building fire originating in "an accumulation of rubbish in the cellar," or in some other way which would not have caused a fire at all if only ordinary precautions had been taken.

What is "good housekeeping" as far as fire prevention is concerned? Just as in domestic life, it is cleanliness. Dirt in one form or another is undoubtedly responsible for a large percentage of fires. Its presence is also evidence of carelessness and irresponsibility in other respects. In shops and factories where machinery is used, ordinary sweepings may contain considerable oil from drippings from machines. In some places oil is sprinkled on floors to keep down the dust. Sweepings from such floors should be put into self-closing metal rubbish cans to prevent spontaneous combustion, and care should be taken to see that the covers are kept on tight, so that if combustion starts, as it is likely to do when cans are not emptied every day, there will be no air to support the fire.

Oily rags, scraps of leather cuttings, greasy lunch papers, etc., are all susceptible to spontaneous combustion when piled together. Spread out they are less harmful but unsightly. Cotton waste, saturated with linseed oil, when kept warm, will burst into flame in a few hours. A large fire, with heavy loss, occurred recently in a factory where sweepings and oily waste were left in a wooden rubbish box which had not been emptied when the place closed for the day.

There is a danger in carelessness which should have the attention of owners of premises. The danger is increased when premises are being vacated or have been left vacant, that is, when places have been vacated and not cleaned up. In one case where a print shop had moved out a pile of very oily rags, paper and sweepings several feet high was left for the next occupant to deal with.

It goes without saying that no time should be lost in removing such prolific causes of fires, many of which, on account of the complete combustion of this oily material, are included along with that great number of fires whose cause is put down as "unknown." The best rule in plants of all kinds is to provide for the removal of all rubbish each night before the place is closed. A week's accumulation should not be tolerated in any plant.

In plants where there is a rule against smoking because it presents a serious fire hazard, it should be enforced. Scrap stock of many kinds, such as cloth clippings, feathers, leather, wood, etc., must be carefully watched, as a cigarette carelessly handled among a litter of flimsy cuttings can easily produce such a disaster as the horrible Triangle Waist Company fire with its appalling loss of life.

Smokers Will Smoke

With a rule against smoking, an employer may think that no smoking is done in his factory. While probably he seldom or never sees it, it may still exist. Often a brief examination of tables and work benches shows the tell-tale brown patches where cigarettes have been laid. In one case, where an insurance engineer was making an inspection, he was told that the regulations were very strict and that any employee caught smoking would be discharged, he found the floor littered with more burnt matches than the processes in the factory justified, and a score or more cigarettes behind a pile of boards and an old door which stood against the wall—just such places where dust and refuse would be liable to start a fire.

Packing material, such as excelsior, hay, moss, tow and other stuff used in packing and upholstering, should be kept in bins and very carefully handled. Only the quantity needed for immediate use should be on or around the work benches. When bought in large quantities, the main supply ought to be kept in well cut off rooms. Burning bales of excelsior tend to burst and scatter their contents, spreading fire with great rapidity.

Dressing and locker rooms are in many cases poorly arranged, carelessly kept and are prolific causes of fires. Lines of hooks for hanging clothes directly above steam pipes are often found by inspectors. Clothes containing matches, when hung in such a place, readily ignite. Smoking is common in such rooms and extra care should be taken in watching these places. Old wooden lockers are unsafe. A properly installed locker room should have a cement floor at least, and though metal lockers are preferable, if wooden lockers are used they should be well ventilated. Oily clothing is just as likely to take fire as oily waste when crammed into the bottom of a dirty locker. Overalls kept overnight in paint room in wooden lockers caught fire due to spontaneous combustion and caused a serious fire in a large factory.

Electrical hazards are the known cause of fires resulting in the heaviest money losses, and are undoubtedly also the cause of many of the fires whose cause is "unknown." The growth in the use of electricity for light and power has been so rapid that there are still many installations in use whose common and often unobserved hazards cause many fires. It is sometimes the least suspected points that are most dangerous.

Nothing can be taken for granted in respect to the safety of electrical installations. Motors should be set on platforms and not on the floor, so that they can easily be kept clean, and each motor should be protected by a separate fuse which will safeguard it against becoming overheated and not only burning itself out but setting fire to adjacent material and thus starting a big fire and causing a heavy loss which it can easily do if not so protected. Such fuses are now available at a cost of a few cents apiece.

Wire In Fuses

In many cases examination of main and other fuses reveals that they have been replaced with wire in an emergency or to prevent repeated blowing of fuses. This has been aptly described to be as bad as tying down the safety valve of a boiler. The circuit becomes overheated, burns off the insulation and sets a fire which is usually attributed to "defective insulation," when inexcusable ignorance or negligence is the real cause.

Electric irons and other modern electric appliances are often carelessly handled in shops and homes. In a clothing factory fire it was found that the electric current was left on pressing iron at closing time, the iron resting on cloth-covered pressing board. The fire occurred at 4 a.m., due to overheating of the iron and ignition of the pressing board. It is not unusual to see pressing boards charred or partly burned through from the use of poor stands for irons.

NEW SUN FIRE APPOINTMENTS

ROBERT P. SIMPSON

Robert Lynch Stailing, Manager for Canada of the Sun Insurance Office Ltd., and affiliated Companies has announced the appointment of Mr. Robert P. Simpson to the position of Assistant Manager for Canada, and Mr. G. Leycester Parker to be Assistant Secretary for Canada, both at the Head Office, Toronto.

Mr. Simpson entered the insurance field in 1917, and has held positions as the Sun Group Branch Manager in Winnipeg, President of the Western Canada Insurance Underwriters' Association and President of the Insurance Institute of Winnipeg.

Mr. Parker has served with the Sun Group in various capacities since 1931, and is presently a Director of the Imperial Insurance Office. *

Enquiries

Editor, About Insurance:

Can you inform me as to the amount of fire insurance transacted in the Province of Saskatchewan during the past two or three years by the regular insurance companies which, it seems, are now faced with the competition of the government which has gone into the fire insurance business itself?

D.G.H., Brandon, Man.

While official figures are not available for 1948, the annual reports of the Superintendent of Insurance, Ottawa, show the amount of fire insurance transacted in Saskatchewan each year by Dominion registered companies. In 1947, the latest year for which figures of the Saskatchewan business of these companies is available, their net premiums in the province amounted to $3,654,380, compared with $3,158,307 in 1946, and $3,128,768 in 1945. The net losses incurred by these companies in the province in 1947 were $1,169,747, compared with $1,455,326 in 1946.

"Certificate of Registry No. C1155 has been issued authorizing Christiania General Insurance Company Limited Storebrand of Oslo, Norway, to transact in Canada the business of Fire Insurance and, in addition thereto, Civil Commotion Insurance, Earthquake Insurance, Falling Aircraft Insurance, Hail Insurance, Impact by Vehicles Insurance, Limited or Inherent Explosion Insurance, Sprinkler Leakage Insurance, Water Damage Insurance and Windstorm Insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company."

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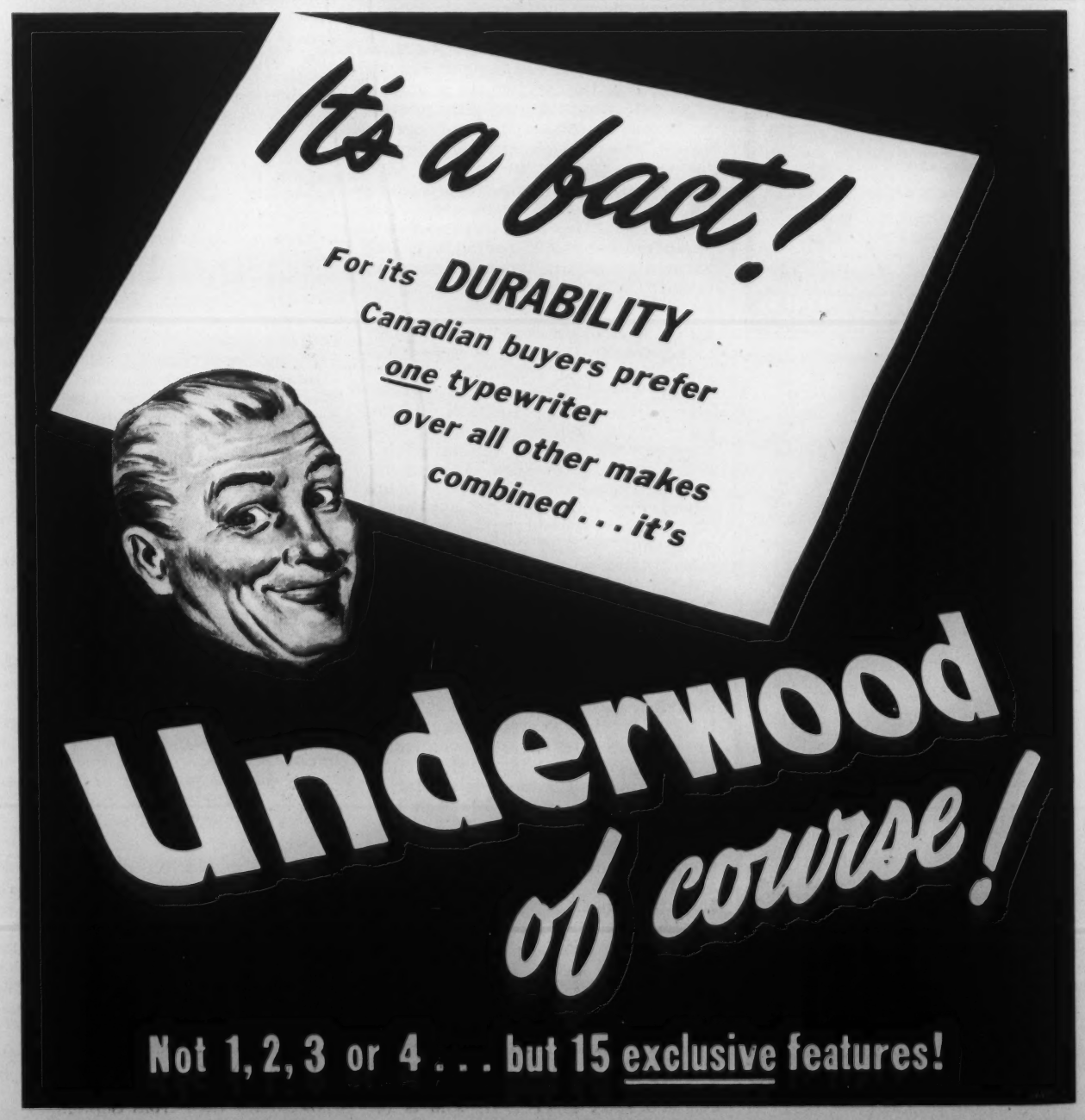
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Sterling Strength Refutes The Pessimistic View

By JOHN L. MARSTON

Saturday Night's Financial Correspondent in London

The recovery of sterling from the convertibility crisis has refuted early pessimistic views. Many commentators seriously believed that sterling was finished as an international currency. Now there are sterling shortages, a healthy sign when the U.K. government's plans envisage income from international financial services rendered by London. Mr. Marston points out that there is one dangerous factor: the huge sterling balances of London's creditors.

London.

THE FAILURE of the convertibility of sterling in 1947 will be remembered, no doubt, as long as the flight from sterling in 1931. But it must be said that the currency has made a notable recovery from its unhappy condition of August and September 1947.

Tacitly, due credit is given to this recovery in the spectacular improvement in the U.K.'s net invisible earnings assumed in the four-year plan, from a deficit of $774 million in 1947 to a surplus of $1,053 million in 1952-53, which is obviously unrealizable without a big increase in the traditional monetary services performed by London; and those monetary services are themselves largely conditioned by the status of sterling.

Revival of confidence in sterling in 1948 is attributable to various causes. It is reflected in an advance in free market rates in every centre where some kind of free quotation is made, not least in New York. The persistent talk of official devaluation, sooner rather than later, has subsided. For some countries sterling is scarcely less a hard currency than the dollar; even in one of the postwar hard-currency countries, Sweden, sterling is now scarce.

There is statistical justification for this change of status. The estimates in the middle of 1946 that the U.K.'s earnings and current indebtedness on oversea account were converging to equilibrium proved, unfortunately, to be wildly wrong. By the end of 1948, however, the gap, though not yet closed, was comparatively narrow. Some official optimists have been saying (though unofficially) that an over-all surplus is likely to be achieved long before 1952-53, in which year, according to the plan, there should be a surplus of $400 million. The severest test may come as early as this year, for physical exports will have a tough fight even to maintain their present volume in an extending buyers' market. However, if Britain can take on this fight without heavy current commitments she will be in a healthier position than many of her competitors.

An overall surplus, if achieved, will be no indication of the dollar position. The idea that sterling is already near the stage where free convertibility can once more be considered is unrealistic. The dollar deficit is estimated to last right through and beyond the period of Marshall aid ($291 million for Britain in 1952-53). From time to time, moreover, sterling gold still drains away to Belgium, which played so large a part in the failure of the convertibility arrangements in 1947.

The Goal

In these circumstances, the British Chancellor of the Exchequer has had to deny suggestions that Marshall aid will enable full convertibility rights to be restored, though he has intimated that a widening range of negotiability will move towards that desired state.

In any case, irrespective of the convertibility of sterling with other currencies, the sterling area itself constitutes the largest area of multilateral trading in the world. It is necessary to stress this point because there were so many premature forecasts, shortly after the war, of the early disintegration of the sterling system, and because the sterling system has been so often attacked in American financial circles.

One of the significant events of 1948 was the trade and finance agreement between the sterling area and Japan, negotiated, of course, on the Japanese side, under American aegis. Its monetary significance lay in the authorization, which the American authorities had to concede, for handling dollar-based goods such as cotton textiles in sterling. For the purpose of Marshall aid, too, the U.S. Government has had tacitly to recognize that the sterling area constitutes an indivisible monetary system.

If the sceptics have been thus confounded, it must be admitted, however, that the seeming brilliance of sterling has been due in part to the dullness of most other non-dollar currencies. In many countries, most obviously France, the monetary position, far from recovering, has progressively deteriorated.

The stability of sterling has been more marked by contrast with unstable currencies like the franc. Differential exchange-rates, operative until recently in France, put into effect most recently in Spain, have made sterling appear as a simple, "clean," currency by comparison: at least, it has been administered in the letter and the spirit of the International Monetary Fund.

U.S. Inflation

The competitive position of sterling has strengthened also, on the whole, against the dollar, because inflation in the relatively uncontrolled U.S. economy has had a more obvious effect on U.S. prices than has the more restrained — though still strong — monetary pressure on U.K. prices. But U.S. primary prices hesitated last year, and the U.K. price-level over the year as a whole was actually stronger than the U.S. It is not now so likely as it seemed some while back that the tide of U.S. prices will lift sterling, unaided, onto an even keel.

All things considered, the currency faces this year with confidence. There is, however, one proviso: that nothing happens to unloose the huge weight of the wartime sterling balances, totalling, after various adjustments, some $12,000 million. That is a problem left for the indefinite future. If any sizeable proportion of that amount "leaked" into current dealings, the statistical position of sterling on current account would be rapidly undermined.

New Director The Bank of Toronto

J. Lyman Trumbull, C.B.E.

Elected a member of the board of directors of The Bank of Toronto, Mr. Trumbull is president of J. L. Trumbull Ltd., importers, and a director of British Columbia Power Corporation Ltd., B. C. Electric Co. Ltd., Johnston National Storage Ltd., and Edward Lipsett Ltd., all of Vancouver, and the Confederation Life Association of Toronto. *

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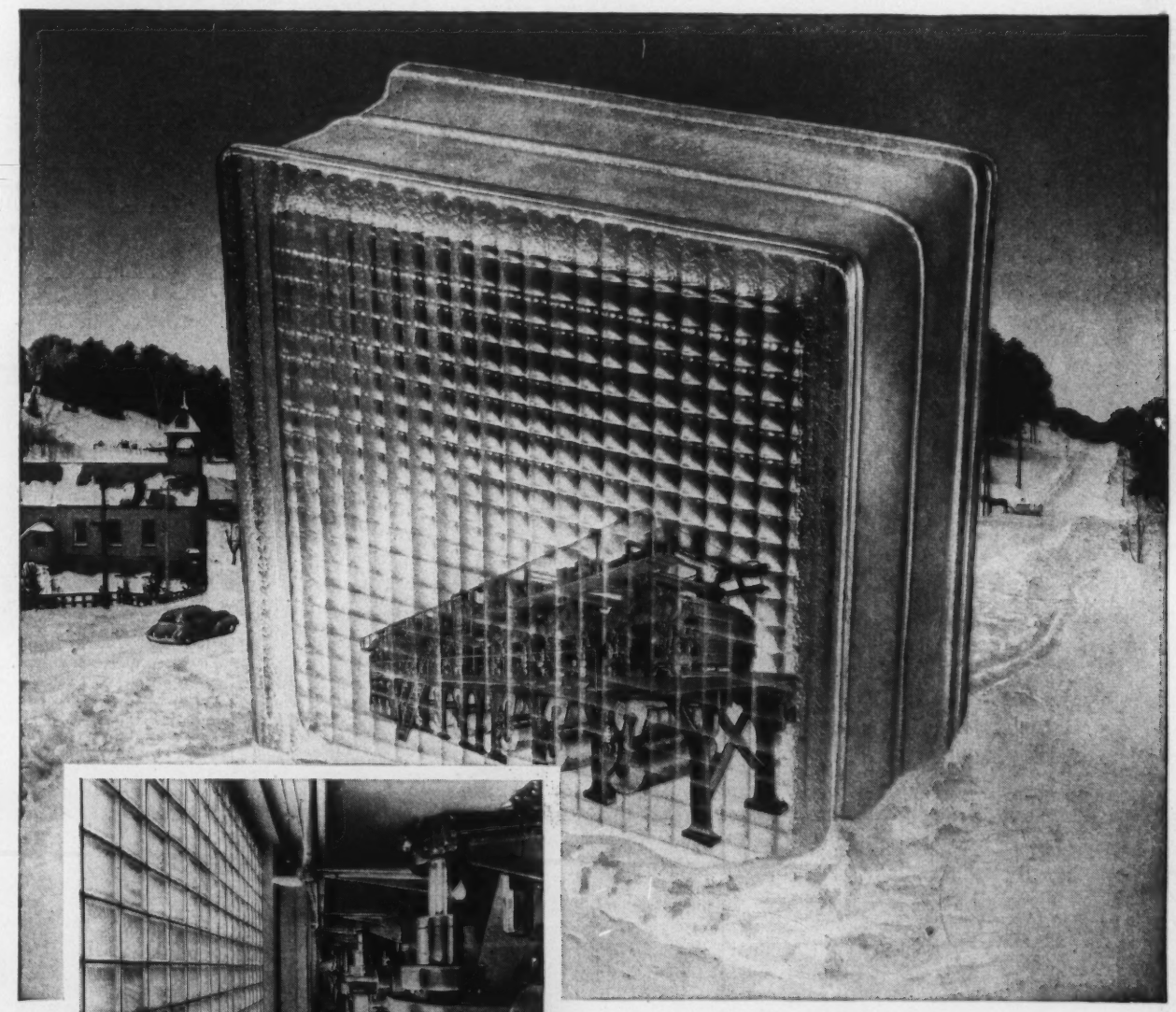

• *PC Glass Block installation, Winnipeg Free Press. Architects: Green Blankstein & Russell.*

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Ordinary windows used to let the cold come in. That made it necessary to give the presses a 30 minute warm-up run, before the ink became fluid enough to print.

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EFFICIENCY OF OPERATION ...WATCHWORD FOR 1949

says J. L. Carson, *President*

THE BANK OF TORONTO

Excerpts from the President's address—

Gentlemen:

It is with deep regret that I have to record the passing in November last of Mr. Richard J. Cullen, who was elected a director in October, 1945.

I wish to announce that Mr. J. Lyman Trumbull, C.B.E., of Vancouver, has consented to join our Board and his name is being submitted at this meeting for election.

In this land of peace and plenty, we Canadians are reminded constantly that although countries have been brought closer together in time and space, the world still is far from happy in its international relations. The struggle for power and influence continues—and the threat of war this brings cannot be ignored. Indeed, in several countries at this moment there is armed conflict between forces which draw support from major powers.

The economic world likewise is divided. Recovery in Western Europe has been only partial despite the unprecedented mutual efforts of the 19 countries in the European Recovery Programme. These nations are trying to establish a prosperous European economy but in 1948 were able to increase production over the previous year only by approximately twelve per cent. They still rely on aid from America to a degree that balks early hope of trade on a normal, genuinely prosperous scale.

Home Industry

Here at home, industry has been operating at an exceptionally high level during the three postwar years, and has filled much of the demand which accumulated in the war period. Obviously, each year and each month brings us nearer to a state of balance between demand and supply. Peak production still prevails in some industries—notably steel, automobile, construction, base metals and newsprint—but in others there is an under-current of softness, and more adjustments are likely to occur as we go along. Goods have come into ample supply in an increasing number of lines and consumer resistance to goods that are highly priced or of inferior quality is evident. Order backlogs are melting and more competitive conditions are returning. Defence stockpiles provide a useful outlet for industry but it must be remembered that much of this is specialized production. The construction industry, with its radiating effect on so many associated lines has been one of the mainstays of the postwar boom, but with the completion or near-completion of many expansion programmes, this important industry may show signs of a slowing up before we commence another year.

Free Enterprise

The majority of Canadians believe that individual initiative and effort should be allowed full scope, and be restricted only where the public welfare may be endangered. Through this freedom of enterprise we have attained in Canada a standard of living second only to that of the United States.

We in Canada can surely be proud of the innumerable businesses whose growth and development have been entirely due to the initiative and efficiency of hardworking, honourable and talented people—business men who have been fair with their employees, customers and suppliers and who have rendered service to the public over a long period of years. Evidence comes to us daily from the operations of our customers that enterprise and ambition are the greatest forces that lead to progress. Should not such examples of success be advertised across Canada?

In contrast to these achievements, we encounter schools of thought which advocate rigid systems and controls for the production and distribution of wealth. Some of these indeed are being put into practice in other lands. But as yet there is no evidence of success even approaching our own. Instead, we read of misery and starvation—often occasioned, it is true, by other causes but certainly not helped by unsound economy. In this era of political strife and economic experiment, we will surely be wise to retain those freedoms and incentives for labour, capital and management which have served us so well in the past and which are contributing so strongly to our stability in the present.

Return to Competition

Whether inflation is levelling off, or deflation is already under way, is indiscernible at the moment. In any event we are at a stage of life which calls for a business technique quite different to that of the war period. Then there was no consideration for control of expense, nor incentive for efficiency of operation. Now it is the part of prudence for business executives to mend their fences and get back to fundamentals—to watch credits and avoid accumulation of excess inventories. Once prices or volume begin to fall appreciably, with a much higher break-even level than formerly, net profits can drop very rapidly and even disappear. Efficiency in all phases of operation must be the watchword.

Water Power and Chemicals

Water power is a servant both of industrial and domestic life, and has already contributed much to the Canadian record. Numerous accessible power sites are in line for early development, while others which are more remote may become factors of value if needed for mining development. The power potential of the Great Lakes, St. Lawrence and Ottawa watersheds is so vast as to make possible in this region an industrial development comparable with any in the world.

Utilizing our power and other resources, we have in Canada a chemical industry that has made tremendous strides in recent years. A great deal of research and invention in this field is now developing into industrial form. Under wise, courageous and enterprising leadership, there has been steady advance in both volume and diversity of products. Today it stands as one of the nation's leading industries and includes some of the largest establishments in the Dominion. Further developments are under way, to widen the scope of the industry and to expand many activities which are associated with it.

Sure Future

These developments and potentials are features of the synthetic age in which we are living—and of the atomic era into which we appear to be moving. Our gifts from nature are a heritage which should compel thought and action because, properly handled, they provide a sure future for Canada.

Basically sound, virile and imaginative—aggressive, clear-headed and resourceful—and cheerful despite taxes and controls—the Canadian people plus their immense national resources, God willing, may write a chapter in history which will rival that of the most brilliant of ancient or modern times.

Welfare of Customer First in Importance

L. G. Gillett, General Manager, Reports Business at all-time high

General Manager's Address

Our Ninety-third Annual Statement presented to you today reflects another year of progress.

Profits

Despite a sharp increase in operating expenses, we again report satisfactory earnings. After full provision for Bad and Doubtful Debts, Depreciation on Premises and Equipment, the usual contribution to the Pension Fund, and provision for Government Taxes, the net amount available for shareholders was $1,190,820, an increase over last year of $3,058. In addition to payment of dividends during the year at the rate of $1.20 per share, our directors authorized a special year-end bonus of twenty cents a share payable January 3, 1949.

Total Assets

Total Assets have increased $42,800,000 to $436,000,000, again a new peak. The ratio of quick assets to all liabilities to the public, 71.69%, is fractionally higher than a year ago.

Current Loans and Discounts

Under this important heading we again report a very satisfactory gain, the total $125,700,000 being $13,700,000 higher. Business activity has continued at a high level and it pleases us to feel that we have contributed our share to its maintenance in taking care of the requirements of our customers.

Deposits

The gain here is notable. Total deposits are now $410,000,000, an all-time high, and deposits from the public, $387,000,000, are up $50,000,000 from a year ago. This further evidence of the confidence of the public in the strength and integrity of our institution must be as gratifying to our shareholders as it is to the management.

Competition

Each turn in the cycle brings a change in problems, but in facing them our viewpoint can never change—that in the long run our success must always depend on the welfare of our customers.

In Canada's banking system there are ten institutions in extremely active competition, at all times looking for opportunities to expand their operations and make new connections. A great deal has been said, and is being said, of what the picture would be if, in place of this competition, we had only one government bank. It is not our thought to enlarge on this, but each individual bank has always to bear in mind that a client, no matter how well his requirements have been taken care of in the past, may go elsewhere for the accommodation he desires if, in his opinion, his present bank is not taking care of him satisfactorily.

Our operation is such that we are organized to give personal attention, not only at branches but at Head Office, to the requirements of individual customers.

The aim of our Executive has always been to know as many as we can of our customers throughout the country, and it is a matter of pride that so many are personal friends and frequent visitors at Head Office.

Thanks to Staff

On this occasion it is the custom to say a few words in appreciation of our staff, and this I gladly do. Our organization now numbers 2,214, of whom 976 are women. They have done excellent work throughout the year and our thanks to them are freely extended.

My concluding words are to thank our customers and our shareholders for their loyalty and support throughout the year. To those who have newly come to us, we extend a welcome; to all of them we express our thanks.

CANADA'S NORTH COUNTRY— A VERITABLE TREASURE HOUSE

Mr. Carson said:

One of the reasons why Canada can look forward with enthusiasm and even optimism is the possession, in our north country, of a treasure house rich in assets of ore, timber, oil and power. Each year brings to light some new wealth and brings into being some new industries. This opens a path to new horizons, where promotion, capital, technical knowledge and labour are all needed and are all due for reward.

Our forest crop alone yielded approximately 2 billion dollars of value in 1948. Under proper conservation—which should have serious attention of our governments, owners and operators, in ever increasing measure—Canada's forests are capable of being maintained indefinitely into the future and should rank high in the commerce of the world.

Our mineral production approaches an annual value of one billion dollars—this in spite of the depressed condition of the gold industry, which it is well to remember proved a tower of strength in the depression years. If we consider the oil of Alberta, the iron of Labrador, the titanium of Quebec, the pitchblende of east and west, and the copper, zinc, lead, nickel and asbestos in various parts of Canada, we have good reason to be optimistic. And as yet we have touched only the fringe of a territory so vast that it makes up roughly 75 per cent of the land and water area of Canada. Of the north itself, no more than ten per cent has been surveyed and mapped.